

SUPPLEMENTAL APPROPRIATIONS BILL, 1982

JULY 27, 1982.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. WHITTEN, from the Committee on Appropriations, submitted the following

REPORT

together with

ADDITIONAL VIEWS

[To accompany H.R. 6863]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making supplemental appropriations for the fiscal year ending September 30, 1982, and for other purposes.

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SUMMARY OF THE BILL

A discussion of the overall bill follows. Details concerning particular items can be found in the requests, documents and in the printed hearings. Specific Committee recommendations are explained in the various chapters of this report, which are arranged in the order of the bill.

The specific budget estimates on which this bill is based are contained in the following House documents: 97-125 (February 8, 1982); 97-154 (March 18, 1982); 97-161 (March 29, 1982); 97-162 (March 30, 1982); 97-168 (April 20, 1982); 97-185 (May 25, 1982); 97-192 (June 3, 1982); 97-198 (June 16, 1982); 97-201 (June 18, 1982); 97-206 (June 30, 1982); 97-210 (July 19, 1982); and 97-211 (July 19, 1982).

COMMITTEE RECOMMENDATION

The Committee is recommending supplemental appropriations of \$14.6 billion in the accompanying bill together with \$265 million in rescissions for a net recommended amount of \$14.4 billion. Of the total amount recommended, \$6.2 billion is for mandatory pay costs of which \$5.2 billion is for military pay increases. In addition, the Committee recommendation includes borrowing authority of \$5 billion for the Commodity Credit Corporation and other mandatory items such as Payments to the Civil Service Retirement Fund (\$303 million), Payments to the Annuitants Health Benefits Fund (\$304 million), Defense Retired Pay (\$48 million) and Medicaid (\$142 million). The combined total of all the mandatory spending is about \$12 billion or about 85 percent of the total bill.

With respect to President's total supplemental budget request of \$15.7 billion, the Committee bill is about \$1.3 billion under the President's request. This represents a 8.5 percent reduction.

COMMITTEE ACTION ON 1982 APPROPRIATIONS

The fiscal year 1982 appropriations cycle has been one of the most difficult in recent years. It began with President Carter's submission to the Congress of his fiscal year 1982 budget proposal on January 15, 1981, just five days prior to the swearing in of Ronald Reagan as President of the United States. It was not until March 10, 1981 that the new Administration submitted its revised budget for fiscal year 1982.

On June 11, 1981 the House Appropriations Committee approved its section 302 allocation of spending responsibility among its thirteen subcommittees, therefore clearing the way for the regular appropriations bills to begin their journey through the legislative cycle. During the months of June and July, the Committee reported nine of its thirteen bills. The House was in recess during the

month of August for the district work period. Promptly upon returning in September, the Committee reported three additional bills, leaving only the large defense appropriations bill, which was reported on November 16, 1981. On the last day of the fiscal year (September 30), when the Appropriations Committee had already reported twelve of the thirteen bills and with ten of the bills actually passed through the House, the Administration submitted further reductions totaling some \$18.7 billion in nondefense discretionary programs. This was followed on October 15, with \$7.6 billion in reductions in defense appropriations, the only bill which had not been reported by the Committee. The effect of these revisions was to deprive the House of Representatives from its constitutional, historical, and traditional roll of acting on appropriation requests first, and to a large degree, allow the Senate to decide on appropriation requests.

All of these circumstances combined into stalling the normal legislative flow of appropriations bills and forced the Committee into reporting the largest and most comprehensive continuing resolution in history in order to maintain the orderly operations of the government since not a single appropriation bill had been enacted into law by the beginning of the fiscal year. The First Continuing Resolution provided for interim financing through November 20, 1981. The Second Continuing Resolution was vetoed by the President. A substitute resolution was passed after the President's veto which continued government financing for a little over three weeks, until December 15. By the end of the First Session of the 97th Congress, ten of the thirteen bills eventually were signed into law. Three bills which had not been passed by the Senate were forced to operate under a further, and more restrictive, continuing resolution through March 31, 1982, and eventually by extension through September 30, 1982. The three bills that passed the House have still not been acted upon by the Senate:

- Labor, HHS and Education (passed House—October 6, 1981)
- Commerce, Justice, State and Judiciary (passed House—September 9, 1981)
- Treasury-Postal Service (passed House—July 30, 1981).

The last time the Senate passed a regular appropriations bill for the Departments of Labor, HHS and Education was on July 20, 1979 and for the Departments of the Treasury and Postal Service, was September 6, 1979. The House Appropriations Committee continues to be opposed to the use of continuing resolutions and insists on the use of regular appropriations bills to fund government programs.

BILL HIGHLIGHTS

	<i>In millions</i>
Pay supplementals (total)	\$6,187
DOD—Military	(5,239)
All other Government-Wide	(948)
Defense Program supp	413
Commodity Credit Corporation	5,000
Fire costs	136
Community Services Employment for Older Americans	211
Medicaid (grants to States)	142
Compensatory Education for the Disadvantaged	148
Government National Mortgage Association	600

	<i>In millions</i>
Student financial assistance	\$169
Education for handicapped.....	27
Department of Energy—Defense activities.....	93
Indian health	27
Interstate transfer grants—highways.....	197
Coast Guard.....	34
FAA—Operations.....	56
Treasury—Internal Revenue Service.....	120
OPM—Retirement and health benefits	607
Rescissions of prior appropriations.....	-265

TABULAR SUMMARY

The following table summarizes the budget requests and the amount in the bill by titles and chapters:

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL**

SUMMARY

Subcommittees	Budget estimates	Recommended in the bill	Bill compared with estimates
TITLE I - GENERAL SUPPLEMENTALS			
Chapter I			
Agriculture:			
New budget (obligational) authority.....	5,000,000,000	5,000,000,000	---
Authority to borrow.....	(5,000,000,000)	(5,000,000,000)	---
Chapter II			
Commerce, Justice, State and the Judiciary:			
New budget (obligational) authority.....	120,134,000	107,538,000	-12,596,000
Appropriations.....	(120,044,000)	(109,353,000)	(-10,691,000)
Reappropriation FY 1983.....	(90,000)	(185,000)	(+95,000)
Rescission.....	---	(-2,000,000)	(-2,000,000)
(By transfer).....	(40,000,000)	(4,800,000)	(-35,200,000)
(Limitation on direct loans).....	(42,484,000)	(42,484,000)	---
(Limitation on guaranteed loans).....	(28,250,000)	(28,250,000)	---
(Effect of deferral disapproval).....	---	(6,515,000)	(+6,515,000)
(Effect of new deferral).....	---	(-2,000,000)	(-2,000,000)
Chapter III			
Defense:			
New budget (obligational) authority.....	2,422,350,000	367,560,000	-2,054,790,000
Appropriations.....	(2,078,629,000)	(367,560,000)	(-1,711,069,000)
Reappropriation FY 1983.....	(343,721,000)	---	(-343,721,000)
(By transfer).....	(37,226,000)	(101,926,000)	(+64,700,000)
(Appropriations to liquidate contract authority and obligations).....	(43,941,000)	(43,941,000)	---
Chapter IV			
District of Columbia funds (net).....	(60,500,400)	(60,500,400)	---
Chapter V			
Energy and Water Development:			
New budget (obligational) authority.....	97,400,000	92,700,000	-4,700,000
(By transfer).....	---	(14,000,000)	(+14,000,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

SUMMARY—Continued

Subcommittees	Budget estimates	Recommended in the bill	Bill compared with estimates
Chapter VI			
Foreign Operations:			
New budget (obligational) authority.....	166,531,000	1,031,000	-165,500,000
(By transfer).....	---	(50,000,000)	(+50,000,000)
(Limitation on guaranteed loans).....	(186,000,000)	---	(-186,000,000)
Chapter VII			
Housing & Urban Development-Independent Agencies:			
New budget (obligational) authority.....	3,775,000	600,000,000	+596,225,000
(By transfer).....	(500,000)	(8,500,000)	(+8,000,000)
(Limitation on guaranteed loans).....	(-20,350,000,000)	---	(+20,350,000,000)
Chapter VIII			
Interior and Related Agencies:			
New budget (obligational) authority.....	172,700,000	217,382,000	+44,682,000
Appropriations.....	(194,600,000)	(268,582,000)	(+73,982,000)
Reappropriation FY 1983.....	(2,300,000)	(3,000,000)	(+700,000)
Rescissions.....	(-24,200,000)	(-54,200,000)	(-30,000,000)
(By transfer).....	(991,000)	(991,000)	---
Chapter IX			
Labor, Health and Human Services, and Education:			
New budget (obligational) authority.....	608,475,000	800,154,000	+191,679,000
(Increase in limitations).....	(42,900,000)	(42,900,000)	---
(By transfer).....	(1,157,000)	(1,157,000)	---

Chapter X					
Legislative Branch:					
New budget (obligational) authority.....	14,366,000	7,359,325	-7,006,675		
Chapter XI					
Military Construction:					
New budget (obligational) authority.....	198,700,000	45,000,000	-153,700,000		
Chapter XII					
Transportation:					
New budget (obligational) authority.....	176,645,000	383,645,000	+207,000,000		
(By transfer).....	---	(32,400,000)	(+32,400,000)		
(Limitation on guaranteed loans).....	(-185,000,000)	(-170,000,000)	(+15,000,000)		
(Effect of deferral disapproval).....	---	(37,500,000)	(+37,500,000)		
Chapter XIII					
Treasury, Postal Service & General Government:					
New budget (obligational) authority.....	528,288,000	545,724,959	+17,436,959		
Appropriations.....	(743,518,000)	(754,384,959)	(+10,866,959)		
Rescissions.....	(-215,230,000)	(-208,660,000)	(+6,570,000)		
(Increase in limitations).....	(857,000)	(857,000)	---		
Total, title I - General Supplementals:					
New budget (obligational) authority.....	9,509,364,000	8,168,094,284	-1,341,269,716		
Appropriations.....	(5,259,197,000)	(4,095,314,559)	(-1,163,882,441)		
Rescissions.....	(-239,430,000)	(-264,860,000)	(-25,430,000)		
Authority to borrow.....	(5,000,000,000)	(5,000,000,000)	---		
Appropriation for debt reduction.....	(-856,514,000)	(-665,545,275)	(+190,968,725)		
Subtotal, fiscal year 1982.....	(9,163,253,000)	(8,164,909,284)	(-998,343,716)		
Reappropriation FY 1983.....	(346,111,000)	(3,185,000)	(-342,926,000)		
(Appropriation to liquidate contract authority and obligations).....	(43,941,000)	(43,941,000)	---		
(By transfer).....	(79,874,000)	(213,774,000)	(+133,900,000)		
(Limitation on administrative expenses).....	(42,900,000)	(42,900,000)	---		
(Increase in limitations).....	(857,000)	(857,000)	---		
(Limitation on direct loans).....	(42,484,000)	(42,484,000)	---		
(Limitation on guaranteed loans).....	(-20,320,750,000)	(-141,750,000)	+20,179,000,000		
(Effect of deferral disapproval).....	---	(44,015,000)	(+44,015,000)		
(Effect of new deferral).....	---	(-2,000,000)	(-2,000,000)		
(District of Columbia funds - net).....	(60,500,400)	(60,500,400)	---		

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COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

SUMMARY—Continued

Subcommittees	Budget estimates	Recommended in the bill	Bill compared with estimates
Total, title II - Increased Pay Costs:			
New budget (obligational) authority.....	6,193,568,000	6,187,205,640	-6,362,360
(By transfer).....	(129,006,000)	(164,846,000)	(+35,840,000)
(Increase in limitations).....	(79,559,000)	(78,500,000)	(-1,059,000)
(Trust fund transfer).....	(5,603,000)	(5,603,000)	---
(Transfer from Commodity Credit Corporation).	(5,681,000)	(5,681,000)	---
	=====	=====	=====
Grand total - titles I and II:			
New budget (obligational) authority.....	15,702,932,000	14,355,299,924	-1,347,632,076
Appropriations.....	(11,452,765,000)	(10,282,520,199)	(-1,170,244,801)
Rescissions.....	(-239,430,000)	(-264,860,000)	(-25,430,000)
Authority to borrow.....	(5,000,000,000)	(5,000,000,000)	---
Appropriation for debt reduction.....	(-856,514,000)	(-665,545,275)	(+190,968,725)
	-----	-----	-----
Subtotal, fiscal year 1982.....	(15,356,821,000)	(14,352,114,924)	(-1,004,706,076)
Reappropriation FY 1983.....	(346,111,000)	(3,185,000)	(-342,926,000)
(Appropriation to liquidate contract authority and obligations).....	(43,941,000)	(43,941,000)	---
(By transfer).....	(208,880,000)	(378,620,000)	(+169,740,000)
(Limitation on administrative expenses).....	(122,459,000)	(121,400,000)	(-1,059,000)
(Increase in limitations).....	(857,000)	(857,000)	---
(Trust fund transfer).....	(5,603,000)	(5,603,000)	---
(Transfer from Commodity Credit Corporation).	(5,681,000)	(5,681,000)	---
(Limitation on direct loans).....	(42,484,000)	(42,484,000)	---
(Limitation on guaranteed loans).....	(-20,320,750,000)	(-141,750,000)	(+20,179,000,000)
(Effect of deferral disapproval).....	---	(44,015,000)	(+44,015,000)
(Effect of new deferral).....	---	(-2,000,000)	(-2,000,000)
(District of Columbia funds - net).....	(60,500,400)	(60,500,400)	---

TITLE I

CHAPTER I

SUBCOMMITTEE ON AGRICULTURE, RURAL DEVELOPMENT AND RELATED AGENCIES

JAMIE L. WHITTEN, Mississippi, *Chairman*

BOB TRAXLER, Michigan
BILL ALEXANDER, Arkansas
MATTHEW F. McHUGH, New York
WILLIAM H. NATCHER, Kentucky
JACK HIGHTOWER, Texas
DANIEL K. AKAKA, Hawaii
WES WATKINS, Oklahoma

VIRGINIA SMITH, Nebraska
J. KENNETH ROBINSON, Virginia
JOHN T. MYERS, Indiana
JERRY LEWIS, California

DEPARTMENT OF AGRICULTURE

COMMODITY CREDIT CORPORATION

For additional capital for the Commodity Credit Corporation (CCC) the Committee recommends \$5,000,000,000, the same as the amount requested by the President on April 20, 1982 (H. Doc. 97-168), and the full amount authorized by law. The Committee's recommendation would provide an increase in permanent borrowing authority of the Commodity Credit Corporation from the currently available \$20,000,000,000 to \$25,000,000,000. The Committee's recommendation would not directly affect budget outlays. With this additional capital CCC will continue to operate as a fully funded revolving fund of \$25,000,000,000 with authority to support prices, to buy commodities, and to sell competitively in world trade. This additional capital is essential if the Corporation is to continue to operate the farm programs mandated by law.

In providing this additional capital the Committee recommends that not less than \$500,000,000 be available to restore the export credit loan program. CCC is the only organization of our government that has the authority, under its Charter, to buy and sell in the same way as our international competitors. Many foreign governments offer direct loans to aid them in exporting their commodities. For 25 years CCC operated, at a profit, an export credit program until such program was terminated by the Office of Management and Budget four years ago.

The world needs our food, and the Committee is convinced the policy of storing food rather than selling it in world trade is unwise and costly to both government and the producer. Large inventories are often used to force reduction in volume and volume must be maintained because the producer's profit is volume times price less cost. The agricultural products from two out of every five acres must be exported, yet we continue to operate as the "residual sup-

plier" to the world rather than pursuing an aggressive export policy.

The Committee recommends the reestablishment of the export credit program so the Department of Agriculture will be better able to promote the export of U.S. agricultural commodities. Increased exports will improve the farm economy, create thousands of jobs, aid our balance of payments, and help feed a hungry world. Furthermore, increased exports will restore capital impairment of the Commodity Credit Corporation. To aid in increasing exports the Committee recommends that the Corporation be permitted to sell its stocks of agricultural commodities in world trade at a price and/or rate of interest determined by the Secretary of Agriculture to be essential to operating a competitive sales program in international trade as provided by the Corporation's Charter. To protect the American producer and maintain his fair share of world markets the Committee will also expect the Department to take all necessary steps to implement an extension of the long-term grain sales agreement with the Soviet Union.

The Committee will expect the Department to provide, on a monthly basis, a written status report on all efforts undertaken that month to expand the export of U.S. agricultural commodities. The Committee also intends to periodically hold hearings to receive oral reports from departmental officials and others regarding the expansion of exports.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

DAIRY INDEMNITY PROGRAM

Dairy farmers in the State of Hawaii have had their milk withheld from commercial markets because of pesticide contamination. The contamination occurred because the material used as cattle feed contained unacceptable levels of the pesticide heptachlor.

The Committee is aware that some producers might not be in a financial position to remain in business during the lengthy process of resolving liability. Therefore, the Committee will expect the Department to explore every possibility available under the law to determine how assistance might be provided to producers in great financial need.

The Committee has not recommended an appropriation under the Dairy Indemnity Program at this time because questions regarding liability are not yet resolved and, therefore, the amount of potential indemnity is unknown at this time. The Committee will expect the Department to make a determination of the eligibility of these dairy farmers for payments under the Dairy Indemnity Program within the time required under statute and regulation and report their findings to the appropriate committees of Congress and the Office of Management and Budget.

FOOD AND NUTRITION SERVICE

SCHOOL LUNCH PILOT PROJECTS

The Department plans to begin operation of certain school lunch pilot projects that were authorized in the fiscal 1981 Appropri-

ations Bill and Report. Certain matters have come to the Committee's attention regarding the proposed operation of these programs.

First, the House Report on the fiscal 1981 Supplemental Appropriations authorized the provision of bonus commodities to all schools participating in the project, provided that the Department somehow separately accounted for these commodities within the study. The Department has announced its intentions to provide additional cash or letters of credit to the appropriate schools in lieu of bonus commodities. The Committee points out that no funds were included in the Appropriations Bill to provide such additional cash or letters of credit to these schools. Therefore, the department may provide only the actual bonus commodities and account for the impact of the provision of these commodities on the pilot projects, or withhold the bonus commodities entirely, since cash or letters of credit are not an available option.

Second, the Department has advised the Committee that it is possible to provide a sufficient assessment of the pilot projects within only two years of operation, and still submit a full report to Congress by December 15, 1984. Therefore, plans for a continuance beyond the end of the 1983-84 school year shall not be made unless the pilot projects are extended by Congress.

INCREASED PAY COSTS

The Committee recommends a total of \$54,057,000 for increased pay costs for fiscal year 1982, including \$14,888,000 by transfer and \$449,000 by increase in limitations. These amounts are included in the total pay costs provided under Title II of the bill.

The Committee recommends concurrence in the proposed transfer of \$8,822,000, from funds previously appropriated (P.L. 96-304) to repair damages caused by the Mount St. Helens disaster, to cover increased pay costs of the Soil Conservation Service. These funds are not needed in connection with Mount St. Helens work and were deferred from use (D 82-244, dated June 3, 1982) pending transfer to other accounts to fund increased pay costs.

In providing \$2,000,000 for watershed and flood prevention operations and \$500,000 for resource conservation and development of the Soil Conservation Service, the Committee is restoring the construction accounts to the program levels provided in the 1982 Appropriations Act.

The Committee believes that it is proper for the Commodity Futures Trading Commission to absorb some portion of its total pay cost requirement, the same as other agencies in the Agriculture Bill. Therefore, the Committee recommends a reduction of \$100,000 in the budget request for CFTC. The total recommended in this Chapter is \$2,400,000 more than the budget request.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL
TITLE I—GENERAL SUPPLEMENTALS

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
	TITLE I			
	CHAPTER I			
	DEPARTMENT OF AGRICULTURE			
	COMMODITY CREDIT CORPORATION			
97-168	Authority to borrow.....	5,000,000,000	5,000,000,000	---
		=====	=====	=====
	Total, Chapter I:			
	New budget (obligational) authority.....	5,000,000,000	5,000,000,000	---
	(Authority to borrow).....	(5,000,000,000)	(5,000,000,000)	---
		=====	=====	=====

CHAPTER II

COMMERCE, JUSTICE, STATE, AND JUDICIARY

NEAL SMITH, Iowa, *Chairman*

BILL ALEXANDER, Arkansas
 JOSEPH D. EARLY, Massachusetts
 JACK HIGHTOWER, Texas
 BERNARD J. DWYER, New Jersey

GEORGE M. O'BRIEN, Illinois
 CLARENCE E. MILLER, Ohio
 CARROLL A. CAMPBELL, Jr., South
 Carolina

For the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies, the Committee considered requests for program supplementals totalling \$120,134,000 in new budget authority and \$40,000,000 in transfers of previously appropriated funds. The Committee recommends \$107,538,000 in net new budget authority and \$4,800,000 by transfer for program requirements of these departments and agencies.

The Committee also considered requests for pay supplementals for these departments and agencies totalling \$133,863,000 in new budget authority and \$5,194,000 in transfers of funds. The Committee recommends \$139,678,000 in new budget authority and \$15,744,000 in transfers for pay supplementals. In addition, the Committee considered proposed deferrals of \$36,190,000 for these departments and agencies and recommends disapproval of \$6,515,000 of these proposals in the accompanying bill.

The Committee's recommendations would result in reductions of \$56,537,000 in new budget authority and \$24,650,000 in transfers of funds from the total amounts requested for these departments and agencies. These recommendations are summarized in the following table:

SUMMARY OF COMMITTEE ACTIONS

	Proposed	Recommended	Change
Program supplementals	\$120,134,000	\$109,538,000	-\$10,596,000
(by transfer)	(40,000,000)	(4,800,000)	(-35,200,000)
Pay supplementals	133,619,000	139,678,000	+6,059,000
(by transfer)	(5,194,000)	(15,744,000)	(+10,550,000)
Rescissions		-2,000,000	-2,000,000
Deferrals	(36,190,000)	(-31,675,000)	(+4,515,000)
Total	253,753,000	247,216,000	-6,537,000
(by transfer)	(45,194,000)	(20,544,000)	(-24,650,000)

DEPARTMENT OF COMMERCE

BUREAU OF THE CENSUS

PERIODIC CENSUSES AND PROGRAMS

(Disapproval of deferral)

1982 appropriation to date.....	\$87,898,000
Proposed deferral (D82-225).....	(-1,015,000)
Committee recommendation.....	(-915,000)

The Committee recommends disapproval of \$100,000 of the \$1,015,000 proposed for deferral, effective the date of enactment of the accompanying bill. The amount disapproved is associated with the 1982 portion of the 1982 Census of Agriculture for Puerto Rico, Guam and the Virgin Islands. These areas have been included in previous censuses of agriculture and the release of these funds will permit these areas to be included in the planned data collection activities of the Bureau of the Census for the 1982 Census of Agriculture.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT REVOLVING FUND

The Committee recommends that language be provided, pursuant to the Administration's request, that would authorize the financing of \$30,000,000 in direct loans for the Economic Development Administration from the Economic Development Revolving Fund and, in addition, would authorize EDA to make payments on defaults on loan guarantees made under the authority of Title II of the Trade Act of 1974.

The authorization of \$30,000,000 for direct loans from the EDA Revolving Loan Fund is consistent with Congressional intent concerning the use of funds made available under the Continuing Resolution (P.L. 97-161). However, the language of the Continuing Resolution did not specifically provide authority to make direct loans from the Economic Development Revolving Fund. The Administration believes that such specific legislative authority is necessary in order to carry out the approved program level.

Authority was requested by the Administration to make payments on defaults on loan guarantees made under Title II of the Trade Act of 1974. Loans are guaranteed under a number of legislative authorities. It is possible that the requirement for payments of defaults on guarantees under the Trade Act of 1974 may exceed the supply of funds available in the Revolving Fund for that specific purpose. For that reason, the Administration is seeking authority to cover potential Trade Act loan defaults from all proceeds within the Revolving Fund, not just those related to the 1974 Trade Act.

The Committee disapproved the request for language which would limit the total amount of guaranteed loans to \$45,000,000. Such a limitation would conflict with the current authorization for the program and would be considered legislation on an appropriation bill, which is in violation of the House Rules.

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

The Committee recommends that the language providing a limitation on direct loans and guaranteed loans be included in the accompanying bill, as requested by the Administration. The limitation would authorize direct loans of \$12,484,000 and loan guarantee authority of \$28,250,000.

The requested language is necessary because the Continuing Resolution for fiscal year 1982, (P.L. 96-161) did not carry specific limitations on direct and guaranteed loans for the Trade Adjustment Assistance Program, both of which are required by Title XXV, Subtitle B, Sec. 2524.(2) of P.L. 97-35, the Omnibus Budget Reconciliation Act of 1981. The levels specified are consistent with the levels provided in the Continuing Resolution, as amended by the reprogramming proposal approved by the House and Senate Appropriations Committees.

PARTICIPATION IN UNITED STATES EXPOSITIONS

1982 appropriation to date	
Supplemental request	
Committee recommendation	\$10,000,000

The Committee recommends \$10,000,000 for the participation of the United States in the Louisiana World Exposition scheduled for 1984, for which there was no budget request.

The Louisiana World Exposition will be held in New Orleans, Louisiana May 12 through November 11, 1982. The theme will be "The World of Rivers—Fresh Water as a Source of Life". The exposition was approved by the Bureau of International Expositions in 1981 and President Reagan issued a formal proclamation of the exposition on March 4, 1982. Over \$54 million has been raised as advanced funding for the exposition by Louisiana government and business interests. The \$10 million for the Federal government's participation is significantly less than Federal expenditures for recent expositions held in the U.S. Legislation authorizing U.S. participation (H.R. 6409) was unanimously approved by the House of Representatives on July 19th. Action by the Senate is expected shortly.

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

(Deferral)

1982 appropriation to date	\$56,641,000
Deferral request (D82-226A)	(-10,000,000)
Committee recommendation	(-12,000,000)

The Committee recommends a deferral of \$12,000,000, which is \$2,000,000 more than that requested by the President.

The President requested a deferral of \$10,000,000 until fiscal year 1983 for the Minority Business Development Agency (MBDA) due to the Agency's large fiscal year 1981 carry over of unobligated balances (\$13,737,000), and MBDA's inability to disburse these funds in fiscal year 1982. The Committee has learned that in addition to

the President's proposed deferral, an additional \$2,000,000 will not be obligated in fiscal year 1982. Therefore, the Committee has included these additional funds, bringing the total deferral to fiscal year 1983 to \$12,000,000 for MBDA activities.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH AND FACILITIES

(Increased pay costs)

1982 appropriation to date	\$820,455,000
Supplemental request	(—0)
Committee recommendation	20,000,000

The Committee recommends \$20,000,000 in new budget (obligational) authority to provide for NOAA's fiscal year 1982 increased pay costs. The Administration proposed to finance these costs through the reprogramming of \$20,000,000 which was appropriated for fiscal year 1982 for NOAA's Polar Orbiting Satellite Program. The Committee felt that a reprogramming of this magnitude, which would involve a significant policy shift in the Polar Orbiting Satellite Program, should not be made. However, if a majority of the House wants to deny this supplemental appropriation, NOAA's 1982 pay cost requirements can be met through the proposed reprogramming. In the event the House votes to eliminate the \$20,000,000 from the bill, the Committee will approve the reprogramming.

The President's budget proposed to shift from a two-polar orbiting satellite system to a one-polar orbiting satellite system in fiscal year 1983. The morning coverage satellite would be phased out, while the afternoon satellite coverage would be maintained. This proposal was based upon the policy decision that a one-satellite system would provide adequate coverage for continental U.S. weather forecasting needs, and that in the event of a satellite failure, a backup satellite could be put in place within 120 days. The cost savings of such a shift are estimated to be \$271 million over the life of the revised polar orbiting spacecraft launch plan. However, the budget justification states "If an inorbit or launch failure occurs, there will be a total interruption in satellite coverage until the next satellite is launched." Three of the last four launches have failed, a failure rate which is of great concern to the Committee.

The decision before the House becomes critical regarding the next planned launch in February of 1983. If the House chooses to maintain a two-satellite system by approving the Committee's recommendation, the February launch will provide a replacement for the morning coverage satellite, which is the older and more rapidly deteriorating of the current two-satellite system. If the House approves the change to a one-satellite system by voting to eliminate the \$20,000,000 from the accompanying bill, the February launch will provide a backup to the afternoon coverage satellite.

House approval of the Committee recommendation for an appropriation of \$20,000,000 will allow NOAA to meet fiscal year 1982 pay cost requirements without jeopardizing the current two polar orbiting satellite system. If this appropriation is not provided, the

adoption of a one-polar orbiting satellite system will be approved and the Committee will follow the instructions of the House in their deliberations for fiscal year 1982 and fiscal year 1983 funding on this matter.

COASTAL ZONE MANAGEMENT PROGRAM

(Transfer of funds)

1982 appropriation to date	\$7,415,000
Supplemental request	
Committee recommendation (by transfer)	(3,000,000)

The Committee recommends a transfer of \$3,000,000 to Coastal Zone Management from the Coastal Energy Impact Fund (CEIF), for which there was no Presidential request.

The State of New York has recently had its Coastal Zone Management Plan approved by the National Oceanic and Atmospheric Administration (NOAA) of the Department of Commerce. With this approval, the State of New York has become the only state with an approved CZM program for which there is no funding available. The New York Program requires \$3,000,000 for its first year of operation.

The Committee has learned that there are projected end of year balances of principal and interest on prior year loans of \$9,000,000 available in the Coastal Energy Impact Fund. The Committee therefore recommends a transfer of \$3,000,000 from the CEIF to Coastal Zone Management to fund the first year of operation of the New York Coastal Zone Management Plan.

FOREIGN FISHING OBSERVER FUND

1982 appropriation to date	\$4,000,000
Supplemental request	3,250,000
Committee recommendation	1,000,000

The Committee recommends \$1,000,000 for the Foreign Fishing Observer Fund, which is \$2,250,000 less than the supplemental budget request. These funds are recommended to help carry out the provisions of the American Fisheries Promotion Act (P.L. 96-561) which requires NOAA to begin full observer coverage of foreign fishing vessels engaged in fishing within the United States Fishery Conservation Zone (FCZ) effective January 1, 1982.

Subject to the provisions contained in Section 236 of the American Fisheries Promotion Act (P.L. 96-561), there is established in the Treasury of the United States, the Foreign Fishing Observer Fund. The Fund consists of surcharges imposed upon each foreign fishing vessel for which a permit is issued under Section 204 of the Act and is intended to be used by the Secretary of Commerce as a revolving fund to cover the total cost of placing a United States Observer aboard foreign fishing vessels engaged in fishing within the FCZ. The Act requires NOAA to begin full observer coverage of foreign fishing vessels engaged in fishing within the FCZ effective January 1, 1982. P.L. 96-561 also stipulates that the Secretary of Commerce can utilize funds in the Foreign Fishing Observer Fund only to the extent and in such amounts as are provided in advance in appropriation acts.

The Committee obtained information that indicated the full amount requested by the Administration could not be utilized this fiscal year. The Committee has therefore recommended only the amount that NOAA could use, which is an additional \$1,000,000 above the 1982 appropriation to date of \$4,000,000.

FEDERAL SHIP FINANCING FUND, FISHING VESSELS

The Committee has not approved the language requested by the Administration, which would limit commitments to guarantee loans for construction of fishing vessels during fiscal year 1982 from the Federal Ship Financing Fund to not more than \$50,000,000 of contingent liability for loan principal. This limitation was proposed as part of the Administration's program to develop budgetary controls over Federal credit programs.

Title XI of the Merchant Marine Act of 1936, as amended provides for a limitation of \$12,000,000,000 on obligations guaranteed and outstanding at any one time from this account and the Maritime Administration's Federal Ship Financing Fund. Therefore, the proposed limitation on the loan guarantee program for fishing vessels for fiscal year 1982 would contravene this provision of the Act.

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

1982 Appropriation to date	\$118,961,000
Supplemental request	2,500,000
Committee recommendation	2,500,000

The Committee recommends \$2,500,000, the level of the President's request, and inclusion of requested appropriation language in the bill that would make all fiscal year 1982 appropriations and fees collected available until expended.

The \$2,500,000 will provide for 172 positions to begin a program of reducing the current level of patent pendency of 25 months to 18 months by 1987. This has been one of the highest priority programs of the Department of Commerce and the Administration. The Committee supports the goals of the pendency reduction program and has provided funding pursuant to that end.

The requested appropriation language change would make the funds available until expended. The provision is requested because of the anticipated lag between the receipt of fee revenues and the incurrence of costs. Current legislation (P.L. 96-517, Section 3) permits the Patent and Trademark Office to charge fees to help defray costs. Original receipt estimates for fiscal year 1982 were \$1,500,000. This has since been reduced to a total estimated receipt level of \$306,000. Without the requested language, the \$306,000 would not be available to defray PTO costs in fiscal year 1983.

The requested language was approved by the Committee and the House for fiscal year 1982, in H.R. 4169, the Appropriations Bill for the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies. The provision was not carried in the Continuing Resolution for fiscal year 1982 (P.L. 97-161), which carries only fiscal year 1981 terms and conditions for the departments and agencies covered by H.R. 4169.

RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

FEDERAL SHIP FINANCING FUND

The Committee has disapproved the request for appropriation language which would limit total commitments to guarantee loans from the Federal Ship Financing Fund during fiscal year 1982 to not more than \$675,000,000 of contingent liability for loan principal.

As stated in the section of this report concerning the National Oceanic and Atmospheric Administration's Federal Ship Financing Fund, Fishing Vessels, Title XI of the Merchant Marine Act of 1936 authorizes a total limitation of \$12,000,000,000 for the Maritime Administration's account and the NOAA account on obligations guaranteed and outstanding at any one time. The Maritime Administration portion of the authorization is \$9,500,000,000 and total commitments and guarantees in force are estimated to be \$8,302,000,000 by the end of fiscal year 1982. Therefore, the proposed limitation on total commitments to guarantee loans during fiscal year 1982 would contravene the authorization and would be unrealistic in view of the demands for these guarantees.

DEPARTMENT OF THE TREASURY

BUREAU OF GOVERNMENT FINANCIAL OPERATIONS

FISHERMEN'S PROTECTIVE FUND

1982 appropriation to date	
Supplemental request	\$2,000,000
Committee recommendation	2,000,000

The Committee recommends a supplemental appropriation of \$2,000,000 for the Fishermen's Protective Fund, which is the full amount of the supplemental request.

The Fishermen's Protective Act of 1967, as amended authorizes the reimbursement to U.S. fishermen for fines paid to foreign governments as a result of seizures of U.S. fishing vessels in territorial waters claimed by a foreign nation, but which are not recognized by the United States. This supplemental appropriation will fund the total of certified and pending claims received to date.

The Act requires the Secretary of State to certify claims of fishing vessel owners for reimbursement for any fine, fee or other direct payments made by the owners to foreign governments. After certification and reimbursement, the Act states: "The Secretary of State shall take such action as he deems appropriate to make and collect claims against such foreign country for the amounts so reimbursed and payments so made." The Act further states that "if a foreign country fails or refuses to make payment in full on any claim (after verification), the Secretary of State shall transfer an amount equal to such unpaid claim or unpaid portion thereof from any funds appropriated by Congress and programmed for the current fiscal year for assistance to the Government of such country

under the Foreign Assistance Act of 1961 unless the President certifies to the Congress that it is in the national interest not to do so in the particular instance."

The Conference Report on the Supplemental Appropriations and Rescission Act, 1982 (House Report 97-124) expressed the concern that the Secretary of State had not exercised his authority under 22 U.S.C. 1975, which permits the withholding of foreign assistance payments, as appropriate for those countries that seize American fishing vessels and fail or refuse to reimburse the United States Government for payments made to the owners of the vessels for certain losses sustained by such seizures. The appropriation in the accompanying bill provides reimbursements for fines imposed on American fishermen by Brazil, Ecuador, Mexico and Papua New Guinea. United States foreign assistance expenditures for these countries are primarily for international narcotics control, which is in the best interest of the United States to continue and maintain. Withholding funds in this instance would not be appropriate. In the matter of future requirements for appropriations, however, the Committee reiterates its concern and expects the Administration to exercise its statutory authority fully by withholding foreign assistance funds where appropriate.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

1982 appropriation to date	\$82,906,000
Supplemental request	
Committee recommendation	400,000

The Committee recommends a supplemental appropriation of \$400,000, for which there was no budget request.

The fiscal year 1982 appropriation for the Securities and Exchange Commission included funding for 39 positions above the level of the budget request. The Committee, in the process of its fiscal year 1983 hearings on the President's budget, learned that the OMB had instructed the SEC to absorb part of the costs associated with the October 1, 1981 pay raise and the January 1, 1982 increase in the executive pay cap by using the funds appropriated to fill the additional 39 positions. These SEC pay requirements in fiscal year 1982 are estimated to total \$3,170,000. On March 26 the Committee approved a reprogramming of \$1,020,000 designated for further development of the Market Oversight Surveillance System to offset pay costs. The SEC had planned to finance the balance of the requirement by maintaining its current vacancy rate of more than 9 percent (5 to 6 percent is considered normal) and foregoing for fiscal year 1982 \$800,000 in planned ADP procurement.

The Committee views with concern the uncertainty surrounding recent adverse developments and abnormalities in the securities markets. Maintaining 185 vacancies in regulatory and enforcement positions further increases this concern. In addition, the Committee views the delay of long needed ADP procurement activities as a false savings, because later acquisition might well result in greater costs.

The Committee has therefore provided \$400,000 to meet the most urgent of the SEC's needs for the balance of fiscal year 1982. The specific allocation of these funds is as follows:

To fill the new 39 fiscal year 1982 positions	\$82,500
To fill an additional 40 vacant positions.....	84,600
To purchase ADP equipment.....	232,900
	<hr/>
Total supplemental appropriation.....	400,000

The Committee feels that these amounts are all that the SEC could reasonably expend for the balance of the fiscal year on these activities.

1982 appropriation to date.....	\$221,945,000
Supplemental request (language).....	

The Committee has included language in the bill which would require that \$11,200,000 of the total amount appropriated for the Salaries and Expenses account for fiscal year 1982 be available only for grants for Small Business Development Centers (SBDC's) instead of \$8,500,000 to be used for SBDC's, as requested by the Administration. This language modifies similar language in the Continuing Resolution for fiscal year 1982 (P.L. 97-161), which required that \$14,000,000 be used only for grants to such centers. SBA officials indicated in hearings before the Committee that approximately \$11.2 million would be needed to fund all foreseeable requirements for the SBDC program in fiscal year 1982, including pending applications for new centers. The language recommended by the Committee will ensure that the \$11.2 million required for the SBDC program for fiscal year 1982 will be available only for this purpose, and will permit the remaining \$2.8 million to be used to help meet SBA's increased pay cost requirements.

The Committee is concerned about the lack of opportunity for minority firms to enter the section 8(a) Procurement Program. Statistics cited in a 1981 report by the Comptroller General indicated that firms which were accepted into the program rarely ever left. Therefore, other disadvantaged minority-owned business were denied entry into the program. GAO also found that as of fiscal year 1980, 31 percent of the total of \$5.5 billion in contracts that had been awarded in the thirteen years since inception of the program went to only 50 firms, all of whom continued to be active participants. In addition, for fiscal year 1980, GAO found that program participants consisted of 2,264 companies of which 1,162 or 51.3 percent had been in the program from 5 to 13 years. It is conservatively estimated that 10,000 firms may be eligible for the section 8(a) program, but cannot obtain entry due to lack of program completions. Virtually no client companies have completed the program in the last four years.

Public Law 96-481 of October 21, 1980 contained certain provisions which required SBA to establish a fixed period of time for every participant concerned either to enter or remain in the section 8(a) program. Specifically, this legislation required current participants in the program and new applicants to submit a business plan listing targets and objectives aimed at correcting the economic impairment which, in part, qualified the firm for the program, and a date for graduation from the program. The legislation further provided that the graduation date be fixed by SBA after ne-

gotiation with the program participant, that the date could be extended by SBA upon request of the 8(a) contractor, and that the date for existing 8(a) concerns would be fixed no later than April 21, 1982.

Although SBA has promulgated the required regulations implementing this legislation and has met the statutory deadline for establishing fixed program termination dates for existing participants, the Committee is very concerned about the lack of management assistance available to these participants. Despite the new legislative requirements, a significant number of participants could be over target, could become too dependent on 8(a) contractual assistance and might not have the amount of such assistance reduced as they move into the final years of their participation terms without careful oversight by SBA. The Committee expects SBA to allocate the management assistance resources required to monitor the business plans of program participants closely to insure that such a situation, which occurred all too frequently before enactment of P.L. 96-481, does not develop again. The Committee also expects SBA to exercise judiciously its authority to extend the graduation dates of participating firms so that no current participant remains in the program longer than absolutely necessary. Only through such a vigorous program of management assistance can sufficient opportunities be created for entry of qualified minority firms. In addition the Committee directs SBA to submit a report by September 30, 1982 and every six months thereafter, listing the management assistance resources allocated to the 8(a) program, the number of program participants and the dollar value of 8(a) contracts, the number of participants who have graduated from the program, the number of participants and value of their 8(a) contracts who have been extended and the reasons therefor, and the number of new participants in the program and the dollar value of their 8(a) contracts.

The Committee is also concerned that SBA is unfairly counting the gross receipts or employment attributable to 8(a) contracts, and terminating a firm for being "other than small" based on that determination. Since 8(a) contracts are sources of temporary and remedial assistance, and since a firm terminated for being large will not receive such assistance, the firm will automatically become small as soon as it is terminated, and will suffer from many of the problems that were the basis for its initial admission into the program. Accordingly, SBA should develop economic criteria of competitive viability against which an 8(a) firms' progress or lack of progress can be based. In addition, any determination that an 8(a) firm is "other than small" ought not be based, in full or in part, on gross receipts or employment attributable to 8(a) contracts.

BUSINESS LOAN AND INVESTMENT FUND

(Disapproval of Deferral)

1982 appropriation deferral to date.....	\$326,000,000
Proposed deferral (D82-233A).....	(-5,000,000)
Committee recommendation.....	(-2,500,000)

The Committee recommends that \$2,500,000 of the proposed deferral of \$5,000,000 be disapproved effective the date of enactment of the accompanying bill.

Sufficient funds were appropriated in the Continuing Resolution for fiscal year 1982 (P.L. 97-161) to provide for a program level of \$3,300,000,000 for guaranteed business loans. The proposed deferral of \$5,000,000 would reduce the program level to \$2,700,000,000. Demand for SBA guaranteed business loans is currently running at an annual rate of less than \$2,000,000,000, primarily due to high interest rates. The Committee recommendation will permit a program level of \$3,000,000,000 which will provide the needed flexibility in the event that interest rates decline and the demand for business loan guarantees improves.

In conjunction with the recommendation on the proposed deferral, the Committee has disapproved language requested by the Administration, which would limit commitments to guarantee business loans to \$2,735,000,000 of contingent liability for loan principal. This limitation was proposed as part of the Administration's program to develop budgetary control over Federal credit programs. The amount authorized for SBA's business loan guarantee program for fiscal year 1982 in the Omnibus Budget Reconciliation Act of 1981 is \$3,300,000,000. Therefore, the proposed limitation on the business loan guarantee program would contravene this provision of the Act and constitute legislation on an appropriation bill in violation of the Rules of the House.

SURETY BOND GUARANTEES REVOLVING FUND

(Disapproval of Deferral)

1982 appropriation to date	\$19,000,000
Proposed deferral (D82-234).....	(-3,000,000)
Committee recommendation.....	.....

The Committee recommends that the proposed deferral of \$3,000,000 for the Surety Bond Guarantees Revolving Fund be disapproved effective the date of enactment of the accompanying bill. Under this program SBA guarantees a portion of the losses sustained by a surety company as a result of the issuance of a bid, payment, and/or performance bond to a small business on a contract up to \$1,000,000. The effect of this deferral would be to reduce the fiscal year 1982 surety bond guarantee program by \$100,000,000 to a level of \$1,100,000,000 in guarantees. The Committee believes that such a reduction would seriously affect the ability of many small businesses to secure surety bonds and thus remain in business as productive sources of job opportunities and revenues in the national economy, which is currently experiencing the worst recession since World War II. Consequently, the Committee recommends disapproval of the proposed deferral of \$3,000,000 in order to assure that the \$1,200,000,000 program level originally approved for the Surety Bond Guarantees Revolving Fund for fiscal year 1982 will be maintained.

POLLUTION CONTROL EQUIPMENT CONTRACT GUARANTEE REVOLVING FUND

1982 appropriation to date .....	.....
Supplemental request (language).....	.....

The Committee has not approved language requested by the Administration which would limit total commitments to guarantee to \$150,000,000 of contingent liability for loan principal in qualified contracts. This limitation was proposed as part of the Administration's program to develop budgetary controls over Federal credit programs.

The amount authorized for this program for fiscal year 1982 in the Omnibus Budget Reconciliation Act of 1981 is \$250,000,000. Therefore, the proposed limitation would be in conflict with this provision of the Act and constitute legislation on an appropriation bill in violation of the Rules of the House.

Under this program SBA is authorized, whenever it determines that small businesses would be at a financial disadvantage with respect to the installation of pollution control facilities, to guarantee the payment of amounts due under qualified rental or purchase contracts. SBA officials have testified in hearings before the Committee that the program makes money for the Federal Government through the fees that are charged for the guarantees. The Federal Government receives a fee of 3½ percent of the amount guaranteed. In view of the demand for the program, the benefits to small businesses, and the fact that the program produces revenue for the Federal Government which will help to balance the budget, the Committee has not approved the proposed limitation and expects the Small Business Administration to carry out the program at the full amount authorized for fiscal year 1982.

DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

1982 appropriation to date	\$123,200,000
Supplemental request	2,183,000
Committee recommendation	383,000
(By transfer)	(1,800,000)

The Committee recommends \$2,183,000, the full supplemental request for automated litigation support activities for the Civil Division in the Department of Justice. Of this amount, \$1,800,000 would be derived by transfer from the Antitrust Division. These funds will not be needed in the Antitrust Division because of the settlement of the IBM and AT&T cases earlier this year.

The \$2,183,000 provided in the accompanying bill would be used to apply computer processing and microfilm technology to the handling of millions of documents in large and complex cases in four major areas of litigation: asbestos, radiation, agent orange, and student loans. Total claims in this litigation exceed \$17 billion.

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

The Committee has approved the request for appropriation language which permit payment of allowances and benefits similar to those allowed under the Foreign Service Act of 1980. This language is a technical change which is necessary because the fiscal year

1982 Continuing Resolution (P.L. 97-161) made funds available to the Commission under the authority and conditions contained in the fiscal year 1981 Appropriation Act. Title IX of the Foreign Service Act of 1946, as amended was cited in the fiscal year 1981 Appropriation Act as the authorization for paying allowances and benefits to Commission employees. The Foreign Service Act of 1946, as amended was repealed and replaced by the Foreign Service Act of 1980.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS AND MARSHALS

1982 Appropriation to date	\$291,950,000
Supplemental request	18,205,000
Committee recommendation	9,015,000

The Committee recommends a total of \$9,015,000 in additional funds for the "Salaries and Expenses, United States Attorneys and Marshals" appropriation for fiscal year 1982. This amount is a decrease of \$9,190,000 from the supplemental budget request. The reduction from the request is due solely to the increased lapse rate associated with the new positions recommended as a result of the probable enactment of this supplemental bill later than originally anticipated. The amount recommended will provide for all of the 222 additional positions included in this supplemental request.

Of the total amount recommended, \$3,650,000 is for the United States Attorneys for the following items:

- Increased prosecutive resources for the Southern Florida Task Force to handle significant increase in the caseload principally in the areas of drug trafficking, drug related violent crime, and fraud and public corruption (\$1,230,000 and 78 positions);
- Additional resources to reduce the growing backlog of debt collection cases (\$1,120,000 and 100 positions); and
- Accelerated implementation of the automated caseload information system (PROMIS) for the U.S. Attorneys' offices (\$1,300,000 and 44 positions).

Of the total amount recommended, \$4,865,000 is for is for the United States Marshals. Of this amount, \$3,665,000 is for protective details for highly visible criminal trials which require extraordinary amounts of security. These funds would be used for overtime and travel costs of the deputy Marshals assigned to such trials. In addition, the Committee recommends \$1,200,000 for the Marshals Service for 23 additional work years requested for the Southern District of Florida to handle the increased numbers of prisoners, security support to additional Federal judges, additional witness security and other requirements expected to be generated by the Southern Florida Task Force. The Committee intends and expects that all of these additional resources will be allocated to Southern Florida. In no case are any of these resources to be used to fill positions or increase the grades of positions in the Washington, D.C. Headquarters office of the Marshals Service.

The Committee understands that the provision of this supplemental appropriation for the United States Marshals will permit the Marshals Service to continue all existing agreements and arrangements which provide security for witnesses who have cooperated with the Government in the investigation and successful pros-

ecution of Federal criminal cases involving organized crime and official corruption. The cooperation of witnesses in such cases is of invaluable help to the Government since these witnesses play a critical undercover role and often testify at length for the Government at great personal risk to themselves and their families. The Committee recognizes the vital contributions these witnesses make and intends that the Department of Justice and the Marshals Service maintain the security measures for these witnesses pursuant to current agreements and arrangements without interruption.

The sum of \$500,000 out of the total amount provided in this supplemental appropriation is to be allocated to the United States Trustees pilot program. An appropriation of \$5,000,000 was made available for the program in the Continuing Resolution for fiscal year 1982. This amount has proved to be insufficient to fund the ten offices that are required under the authorizing legislation for the program. The additional resources recommended will provide the funding necessary to keep all ten offices open for the remainder of fiscal year 1982, fill a number of vacant permanent and temporary positions, and conduct training and mission related travel in order to deal with the increasing number of bankruptcies that have occurred in this fiscal year.

SUPPORT OF UNITED STATES PRISONERS

1982 appropriation to date	\$24,100,000
Supplemental request	7,423,000
Committee recommendation	7,423,000

The Committee recommends a supplemental appropriation of \$7,423,000, the full amount requested for the "Support of United States Prisoners" account for fiscal year 1982. Of the total amount recommended, \$4,923,000 will provide for the increased cost of housing unsentenced Federal prisoners because of significant increases in contract jail rates as well as increases in the number of prisoners. In addition, the amount recommended includes \$900,000 for care and custody of Federal prisoners in non-Federal institutions in Southern Florida as a result of the Southern Florida Task Force initiative and \$1,600,000 as a deficiency appropriation to cover unpaid obligations incurred in fiscal year 1981 in excess of budget authority.

The Committee has also approved the request for language which would permit not to exceed \$3,000,000 of funds appropriated in this account for fiscal year 1982 to be available for renovating State and local jails that confine Federal prisoners. Authorization for this provision was approved by both the House and the Senate in the pending Department of Justice Authorization Bill for fiscal year 1982.

FEES AND EXPENSES OF WITNESSES

1982 appropriation to date	\$27,921,000
Supplemental request	4,750,000
Committee recommendation	4,750,000

The Committee recommends a supplemental appropriation of \$4,750,000, the full amount requested, for the "Fees and Expenses of Witnesses" account for fiscal year 1982. These additional funds

will provide for significant increases in costs in the program that have occurred during the current fiscal year. These additional requirements include: increased travel costs for fact witnesses; increases in housing, subsistence and travel costs for the witness security program; increased costs for expert witnesses due to higher travel costs, higher fees, and an increase in the number of expert witnesses required for trials; and increases in fees charged for mental competency examinations.

FEDERAL BUREAU OF INVESTIGATION

1982 appropriation to date	\$739,609,000
Supplemental request	4,000,000
Committee recommendation	4,000,000

The Committee recommends a supplemental appropriation of \$4,000,000, the full amount of the request, for the Federal Bureau of Investigation. This amount will provide additional resources for undercover operations, and purchase of information and evidence in connection with the FBI's increased jurisdiction in narcotics investigations and in support of the Southern Florida Task Force.

The Committee has approved the requested language which will permit funds appropriated to the FBI in the Continuing Resolution for fiscal year 1982 (P.L. 97-161) to be used to purchase 1,500 replacement vehicles. The Committee has also approved the requested language which will permit not to exceed \$5,000,000 for automated data processing and telecommunications and \$600,000 for undercover operations to be available until September 30, 1983. Each of these provisions was included in the regular appropriations bill for fiscal year 1982 (H.R. 4169) which passed the House and was reported to the Senate, but were not included in the Continuing Resolution due to the parliamentary situation governing consideration of that legislation.

IMMIGRATION AND NATURALIZATION SERVICE

The Committee has approved the requested language which would permit \$400,000 appropriated for research and \$1,821,000 for construction projects in the Continuing Resolution for fiscal year 1982 (P.L. 97-161), to remain available until expended. The Committee has also approved the requested language which would permit INS to purchase 510 law enforcement vehicles of which 430 would be for replacement. These provisions were included in the regular appropriations bill for fiscal year 1982 (H.R. 4169) which passed the House and was reported to the Senate, but were not included in the Continuing Resolution due to the parliamentary situation governing consideration of that legislation.

DRUG ENFORCEMENT ADMINISTRATION

1982 appropriation to date	\$230,849,000
Supplemental request	4,860,000
Committee recommendation	4,860,000

The Committee recommends an additional \$4,860,000, the full amount of the supplemental budget request for the Drug Enforcement Administration. Of this amount, \$2,960,000 is for support

costs for DEA agents assigned to the Southern Florida Task Force, \$900,000 is for replacement of major laboratory equipment which has become unrepairable and obsolete, and \$1,000,000 is for the increased cost of the Federal Telecommunications System due to significant rate increases granted to commercial carriers.

The Committee has also approved requested language which would permit \$1,200,000 appropriated to DEA for research under the Continuing Resolution for fiscal year 1982 (P.L. 97-161), to remain available until expended and \$1,700,000 available for purchase of evidence and information, to remain available until September 30, 1983. The Committee has also approved language which would permit DEA to purchase 277 replacement vehicles. Each of these provisions was included in the regular appropriations bill for fiscal year 1982 (H.R. 4169) which passed the House and was reported to the Senate, but were not included in the Continuing Resolution due to the parliamentary situation governing consideration of that legislation.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

1982 appropriation to date	\$353,000,000
Supplemental request	285,000
Committee recommendation	130,000

The Committee recommends an additional \$130,000 for the Salaries and expenses account of the Federal Prison System for fiscal year 1982. Although this amount is a decrease of \$155,000 from the request, the reduction is due solely to additional lapse for the new positions recommended as a result of probable enactment of this supplemental bill later than originally anticipated.

The funds recommended will provide additional resources to improve security at the Metropolitan Correctional Center (MCC) in Miami, Florida. The Miami facility was recently converted from a medium security level correctional institution to an MCC and will house Federal prisoners in all security classifications. These funds would be used for 30 additional positions to provide the required higher level of security for an MCC.

In addition, the Committee has approved requested language, which would permit funds made available in the Continuing Resolution for fiscal year 1982 (P.L. 97-161) for Salaries and Expenses of the Federal Prison System to be used for purchase of 31 vehicles of which 27 would be for replacement. This provision was included in the regular appropriation bill for fiscal year 1982 (H.R. 4169) which passed the House and was reported to the Senate, but was not included in the Continuing Resolution due to the parliamentary situation under which that legislation was considered.

BUILDING AND FACILITIES

1982 appropriation to date	\$13,731,000
Supplemental request	36,500,000
Committee recommendation	1,500,000

The Committee recommends \$1,500,000 of the supplemental budget request of \$36,500,000 for the Buildings and Facilities ac-

count of the Federal Bureau of Prisons. The funds recommended would be used to improve security at the Metropolitan Correctional Center (MCC) in Miami, Florida. As stated previously under the Salaries and Expenses item, the Miami facility was recently upgraded to an MCC and will house Federal prisoners in all security classifications. The amount provided would be used for fencing, high mast lighting, and conversion and relocation of existing space and facilities.

The Committee has deferred without prejudice consideration of the request for \$35,000,000 for construction of two alien detention centers to be co-located at existing Federal Correctional Institutions at Petersburg, Virginia and El Reno, Oklahoma. Significant questions and issues concerning this proposal were raised during Committee hearings, which the Committee feels require further study and development of more detailed information. Therefore, the Committee has deferred action on this request pending such a review and submission of additional details concerning the proposal.

FEDERAL PRISONS SYSTEMS, INCORPORATED

The Committee has approved the requested language increasing the limitations on administrative expenses and vocational training expenses for the Federal Prison Industries, Incorporated. These increases in the limitations are necessary to correct errors in the amounts requested in the regular fiscal year 1982 budget request due to a failure to include the October 1980 pay raise costs.

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

The Committee has included a general provision in the bill, as requested, which permits the Department of Justice to carry out processing, care, and maintenance activities under Title V of the Refugee Education Assistance Act for Cuban and Haitian entrants including those under legally enforceable final orders of exclusion or deportation where removal of such entrants has not been practicable. Section 501(e) of the Act grants broad authority to the President to carry out these activities. Pursuant to Executive Order 12341, the President transferred this authority to the Department of Justice, and the House and Senate Appropriation Committees recently approved a reprogramming within the Department of Health and Human Services, which permitted that Department to transfer \$13.7 million to the Department of Justice for continued detention, sponsorship and placement of Cubans. However, because of the way section 501(e) of the Act defines Cuban and Haitian entrants, funds provided for this program cannot be applied to Cubans and Haitians who are under a final, nonappealable, and legally enforceable order of deportation or exclusion.

At the present, there are currently 1,100 Cubans being held in the Federal Bureau of Prisons Atlanta facility who are under a final order of deportation, but cannot, in fact, be deported because the Cuban Government will not accept them. The language included in the accompanying bill will permit the continued expenditure of funds for the detention of these people until they can actually be deported. This language is similar to a provision the House Judici-

ary Committee included in H.R. 6297, the Department of Justice Appropriations Authorization Act for fiscal year 1983. The Judiciary Committee has written to the Appropriations Committee indicating they do not object to the inclusion of this provision in this supplemental appropriations bill.

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

1982 Appropriation to date	\$890,000,000
Supplemental request	7,996,000
(By transfer)	(31,228,000)
Committee recommendation	37,378,000
(By transfer)	(.....)

The Committee recommends a supplemental appropriation of \$38,478,000 for the Salaries and Expenses account for fiscal year 1982. This amount is a reduction of \$1,846,000 from the total budget request of \$39,224,000, of which \$31,228,000 was proposed for transfer to this account from "Migration and Refugee Assistance". The Committee recommends that the \$31,228,000 be provided by direct appropriation.

The \$31,228,000 is for additional security requirements at overseas posts in Western Europe and other highly threatened areas. The amount provided would be used for the following items:

- \$13,384,000 for public access controls at office buildings abroad; these funds would be used for security equipment and supplies, site surveys and plans, and for hiring temporary personnel to administer and implement the program;
- \$10,121,000 for protection of officials, including purchase of armored vehicles, additional security measures at Chief of Mission residences, additional weapons and protective apparel for security personnel, upgrading of training materials, and preparation of "flyaway packages" for immediate reaction to security crises;
- \$3,523,000 for emergency voice radio systems at 50 posts; and
- \$4,200,000 for contracting out routine background investigations on State Department personnel, an action which will permit security personnel to be assigned to protective duties.

The total amount recommended also includes the following items:

- \$1,500,000, the full amount requested, for partial renovation of Blair House, which would include replacement of the roof, installation of a smoke detection system and fire doors, and armoring the front windows;
- \$3,400,000 for the Iran-United States Claims Tribunal, of which \$2,127,000 is for the United States' share of expenses of the Tribunal and \$1,273,000 and 7 positions are for the Office of the Legal Advisor which, under the general direction of the Secretary of State, has primary responsibility within the U.S. Government for administering the claims program; the Committee has reduced the amount for the U.S. share of expenses

- for the Claims Tribunal because of a decrease of \$1,100,000 in the final budget requirements;
- \$1,000,000 of the \$1,666,000 requested for preparation of the U.S. legal case for arbitration of the U.S.-Canada Gulf of Maine Boundary dispute by the International Court of Justice; the Committee was concerned that the total request for this item had not been adequately justified; however, if the Department of State, after some actual experience with the case, believes that additional resources are needed, the Department can propose a reprogramming of funds or submit an additional budget request; and
 - \$250,000 and 6 positions of the \$330,000 requested to establish an office in the Bureau of Near Eastern and South Asian Affairs to perform liaison functions between the U.S. Government and the Multinational Force and Observers.

ACQUISITION, OPERATION, AND MAINTENANCE OF BUILDINGS ABROAD

1982 appropriation to date	\$185,970,000
Supplemental request	7,996,000
—(By transfer)	(8,772,000)
Committee recommendation	17,655,000
—(By transfer)	(.....)

The Committee recommends a supplemental appropriation of \$17,655,000, the total amount requested, for "Acquisition, Operation, and Maintenance of Buildings Abroad". Rather than providing \$8,772,000 by transfer from "Migration and Refugee Assistance" as requested by the Administration, the Committee recommends that these additional resources be provided through a direct appropriation.

This supplemental request is related to the supplemental request for Salaries and Expenses for additional security measures at overseas posts. The funds recommended would be used for the following items:

- \$9,520,000 for 30 public access control projects;
- \$5,830,000 for perimeter fencing, grills and construction of safehavens in office buildings where public access controls are being built;
- \$331,000 for installation of a second exit in the communications center at posts where the center will be used as a safehaven; and
- \$1,974,000 for temporary personnel to administer and implement these projects.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

1982 appropriation to date	\$73,197,000
Supplemental request	4,615,000
Committee recommendation	4,615,000

The Committee recommends a supplemental appropriation of \$4,615,000, the full amount requested, for "Payment to the Foreign Service Retirement and Disability Fund" for fiscal year 1982. These funds are necessary to provide the first annual installment to finance the unfunded liability resulting from the comparability

salary increases granted in October 1981 and the increase in the pay cap which became effective on January 1, 1982.

INTERNATIONAL COMMISSIONS

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

The Committee recommends language in the bill which would permit not to exceed \$95,000 for the American Section of the International Joint Commission to remain available until September 30, 1983. These funds would be used for State and Federal travel necessary to discharge United States obligations under the 1978 Great Lakes Water Quality Agreement between the United States and Canada and for a portion of the cost of a project to resolve a dispute over the High Ross Dam between the City of Seattle, Washington and the Province of British Columbia. The funds that would be carried over into fiscal year 1983 for these activities are generated from currency gains due to the favorable exchange rate of the U.S. dollar vis-a-vis the Canadian dollar.

RELATED AGENCIES

BOARD FOR INTERNATIONAL BROADCASTING

GRANTS AND EXPENSES

Disapproval of Deferral

(Rescission)

1982 Appropriation to date	\$86,519,000
Proposed deferral (D82-248).....	(-915,000)
Committee recommended rescission	-2,000,000

The Committee recommends a rescission of \$2,000,000, for which there was no Presidential request. The Committee proposes this action in lieu of deferring \$915,000 until fiscal year 1983, as proposed by the Administration.

The Office of Management and Budget is required by Section 8(b) of the Board for International Broadcasting Act (22 U.S.C. 2871-2877) to place in reserve and inform the Congress of any amount appropriated for the Board for International Broadcasting (BIB) which, because of upward fluctuations in foreign currency exchange rates, is in excess of the amount necessary to maintain the budgeted level of operations.

The Board reported net currency gains of \$914,751 at the end of the second quarter of fiscal year 1982. The BIB estimate of fiscal year 1982 currency gains range from \$2,000,000 to \$4,000,000 depending upon the assumed value of the dollar in relation to foreign currencies for the balance of the fiscal year. The Committee, in initiating this rescission proposal, has assumed the more conservative estimate of currency gains, which would ensure a reasonable margin of funding availability in the event of an unanticipated dollar decline against foreign currencies.

COMMISSION ON WARTIME RELOCATION AND INTERNMENT OF
CIVILIANS

The Committee has approved requested language which would permit the Commission to obligate funds through December 31, 1982. Public Law 97-152 extended the Commission through that date. The fiscal year 1981 Supplemental Appropriations and Rescission Act authorized the Commission to obligate funds through September 30, 1982. A total of \$90,000 is estimated to be available after September 30, 1982 from the original \$1 million appropriation.

RADIO BROADCASTING TO CUBA

1982 Appropriation to date	
Supplemental request	\$10,000,000
Committee recommendation	

The Committee has not approved the requested supplemental appropriation of \$10,000,000 for Radio Broadcasting to Cuba for fiscal year 1982 due to the lack of authorizing legislation.

These funds were requested to provide a grant to Radio Broadcasting to Cuba, Inc. which would broadcast news and commentary, sports, music and other programs to Cuba. This broadcasting operation is designed to provide a source of information to the Cuban people which is an alternative to the official Cuban Government sources. The funds requested are for the following items: programming (\$3,000,000 and 148 positions), administration (\$2,800,000 and 20 positions), transmitter acquisition and operations (\$1,300,000) and construction of studios and a second transmitter (\$2,900,000).

An authorization for this program has not yet been enacted. The House Foreign Affairs Committee and the Energy and Commerce Committee have reported an authorization bill which has not yet been considered by the House. Until such time as the Congress approves this or similar legislation establishing the basic authority for, and conditions and restrictions on U.S. Government sponsored radio broadcasting to Cuba, the inclusion of any funds for such a program in an appropriation bill would violate the Rules of the House which prohibit appropriations for unauthorized items.

THE JUDICIARY

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL
SERVICES

DEFENDER SERVICES

1982 Appropriation to date	\$26,500,000
Supplemental request	2,350,000
Committee recommendation	1,500,000

The Committee recommends a supplemental appropriation of \$1,500,000 for Defender Services for fiscal year 1982. This supplemental appropriation will provide the additional resources needed for an unanticipated increase in the case load, increases in the fees of expert witnesses, and cost of living adjustments granted to Community Defender organization attorneys and staff in accordance with similar adjustments granted to Federal employees. Although the Committee reduced the supplemental request for this program

by \$850,000, the Committee reviewed the request carefully and believes that the additional requirements for the Defender Services program for fiscal year 1982 can be carried out within the amount provided in the accompanying bill.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued**

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
CHAPTER II				
DEPARTMENT OF COMMERCE				
Bureau of the Census				
97-140	Periodic censuses and programs (effect of deferral disapproval).....	---	(100,000)	(+100,000)
Economic Development Administration				
97-125	Economic development revolving fund (limitation on direct loans).....	(30,000,000)	(30,000,000)	---
International Trade Administration				
Operations and administration:				
97-125	(Limitation on direct loans).....	(12,484,000)	(12,484,000)	---
97-125	(Limitation on guaranteed loans).....	(28,250,000)	(28,250,000)	---
---	Participation in United States expositions.....	---	10,000,000	+10,000,000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued**

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
	Minority Business Development Agency			
---	Minority business development (effect of new deferral)	---	(-2,000,000)	(-2,000,000)
	National Oceanic and Atmospheric Administration			
---	Coastal zone management (by transfer).....	---	(3,000,000)	(+3,000,000)
97-125	Foreign fishing observer fund.....	3,250,000	1,000,000	-2,250,000
	Patent and Trademark Office			
97-125	Salaries and expenses.....	2,500,000	2,500,000	---
	Total, Department of Commerce.....	5,750,000	13,500,000	+7,750,000
		=====	=====	=====

RELATED AGENCIES

DEPARTMENT OF THE TREASURY

Bureau of Government Financial Operations

97-168 Fishermen's Protective Fund.....

2,000,000

Securities and Exchange Commission

--- Salaries and expenses.....

400,000

+400,000

Small Business Administration

Business loan and investment fund (effect of deferral

97-140 disapproval).....

(2,500,000)

(+2,500,000)

Surety bond guaranties revolving fund (effect of

97-140 deferral disapproval).....

(3,000,000)

(+3,000,000)

Total, Department of Commerce and related

agencies.....

7,750,000

+8,150,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
DEPARTMENT OF JUSTICE				
Legal Activities				
97-185	Salaries and expenses, general legal activities.....	2,183,000	383,000	-1,800,000
---	(By transfer).....	---	(1,800,000)	(+1,800,000)
97-125	Salaries and expenses, United States attorneys and marshals.....	18,205,000	9,015,000	-9,190,000
97-185	Support of United States prisoners.....	7,423,000	7,423,000	---
97-168	Fees and expenses of witnesses.....	4,750,000	4,750,000	---
Federal Bureau of Investigation				
97-185	Salaries and expenses.....	4,000,000	4,000,000	---
Drug Enforcement Administration				
97-185	Salaries and expenses.....	4,860,000	4,860,000	---
Federal Prison System				
97-185	Salaries and expenses.....	285,000	130,000	-155,000
97-185	Buildings and facilities.....	36,500,000	1,500,000	-35,000,000

97-185	Federal Prison Industries, Incorporated: (Limitation on administrative and vocational training expenses) (increase in limitation).....	(5,579,000)	(5,579,000)	---
	Total, Department of Justice.....	78,206,000	32,061,000	-46,145,000

DEPARTMENT OF STATE

Administration of Foreign Affairs

97-125	Salaries and expenses.....	7,996,000	37,378,000	+29,382,000
97-168	(By transfer).....	(31,228,000)	---	(-31,228,000)
	Acquisition, operation, and maintenance of buildings abroad.....	8,883,000	17,655,000	+8,772,000
97-168	(By transfer).....	(8,772,000)	---	(-8,772,000)
97-168	Payment to the American Institute in Taiwan.....	244,000	244,000	---
97-125	Payment to the Foreign Service Retirement and Disability Fund.....	4,615,000	4,615,000	---

International Commissions

---	American Sections, International Commissions (reappropriation - FY 1983).....	---	95,000	+95,000
	Total, Department of State.....	21,738,000	59,987,000	+38,249,000

RELATED AGENCIES

Board for International Broadcasting

97-102	Grants and expenses (effect of deferral disapproval)..	---	(915,000)	(+915,000)
---	Rescission.....	---	-2,000,000	-2,000,000

Commission on Wartime Relocation and Internment of Civilians

97-185	Salaries and expenses (reappropriation FY 1983).....	90,000	90,000	---
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COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
	Funds Appropriated to the President			
97-107	Radio Broadcasting to Cuba.....	10,000,000	---	-10,000,000
	Total, Department of State and related agencies.	31,828,000	58,077,000	+26,249,000
	THE JUDICIARY			
	Courts of Appeals, District Courts, and Other Judicial Services			
97-125	Defender services.....	2,350,000	1,500,000	-850,000
	Total, Chapter II:			
	New budget (obligational) authority.....	120,134,000	107,538,000	-12,596,000
	Appropriations.....	(120,044,000)	(109,353,000)	(-10,691,000)
	Reappropriation FY 1983.....	(90,000)	(185,000)	(+95,000)
	Rescission.....	---	(-2,000,000)	(-2,000,000)
	(By transfer).....	(40,000,000)	(4,800,000)	(-35,200,000)
	(Limitation on direct loans).....	(42,484,000)	(42,484,000)	---
	(Limitation on guaranteed loans).....	(28,250,000)	(28,250,000)	---
	(Effect of deferral disapproval).....	---	(6,515,000)	(+6,515,000)
	(Effect of new deferral).....	---	(-2,000,000)	(-2,000,000)

CHAPTER III

SUBCOMMITTEE ON THE DEPARTMENT OF DEFENSE

JOSEPH P. ADDABBO, New York, *Chairman*

BILL CHAPPELL, Florida
JOHN P. MURTHA, Pennsylvania
NORMAN D. DICKS, Washington
CHARLES WILSON, Texas
W. G. (BILL) HEFNER, North Carolina
BO GINN, Georgia

JACK EDWARDS, Alabama
J. KENNETH ROBINSON, Virginia
JOSEPH M. McDADE, Pennsylvania
C. W. BILL YOUNG, Florida

DEPARTMENT OF DEFENSE—MILITARY

SUMMARY OF COMMITTEE ACTION

The Committee considered requests totaling \$7,801,624,000 in new obligational authority and \$37,226,000 in transfer authority. These supplemental requests were carried in the fiscal year 1983 Budget submitted in February, 1982, and additional budget amendments were submitted later in H. Doc. 97-168, dated April 20, 1982.

The Committee recommends the appropriation of new obligational authority of \$5,597,306,000, and transfer authority of \$197,126,000. In total, the Committee recommendations are \$2,044,418,000 below the budget requests.

As a further breakdown of the Committee recommendations on the budget requests mentioned above, the Committee recommends the following actions. For title I, the budget program requests total \$2,422,350,000 in new budget authority, and \$37,226,000 in transfer authority. The Committee recommends the appropriation of new obligational authority of \$367,560,000, and transfer authority of \$101,926,000. The Committee recommendations for title I are \$1,990,090,000 below the budget requests when the added transfer authority is included.

The title II budget requests total \$5,379,274,000 in new obligational authority. The Committee recommends the appropriation of \$5,229,746,000 in new obligational authority, and \$95,200,000 in transfer authority. These Committee recommendations for title II are \$54,328,000 below the budget request when the added transfer authority is included.

Generally, supplementals are to be used to fund increased pay costs voted by Congress earlier in the fiscal year, and to provide additional funding to meet emergency situations, to take care of extraordinary items or to meet critical unanticipated requirements. The Administration has submitted \$2,422,350,000 in program supplemental requests the vast majority of which do not meet these criteria. Some of these program requests would provide funds for the restoration of reductions directed by Congress last year, and others would start new programs which should be considered in the

regular appropriation process. In addition, many of the program requests have not been authorized for funding in fiscal year 1982. For these various reasons, the Committee recommends the deletion of most of the requests for program supplementals. The program supplementals recommended for funding in this bill are generally pay related or mandatory in nature such as, postal rate increases, health benefits, increased utilities, and so forth.

TRANSFER OF FUNDS

The transfers of \$197,126,000 recommended by the Committee are made up of two sources: (1) \$37,226,000 from Research, development, test, and evaluation, Navy, funds recommended in the budget for transfer; and (2) \$159,900,000 of funds that were set aside to cover reprogramming actions and other programs and activities that were denied by the Committee and from unobligated balances no longer required for the purposes for which appropriated. A breakout of the \$159,900,000 follows:

\$66,000,000 proposed for a special activities program denied by the Committee from the following sources: \$1,500,000 from production base support and \$4,200,000 from depot maintenance plant equipment in Missile procurement, Army, 1982/1984; \$4,800,000 from production base support and \$1,500,000 from the 81mm mortar program in Procurement of weapons and tracked combat vehicles, Army, 1982/1984; \$9,300,000 from meteorological data system (FAMAS) and \$700,000 from utility tractor with loader backhoe in Other procurement, Army, 1982/1984; \$20,000,000 from spares in Aircraft procurement, Navy 1982/1984; \$1,100,000 from AN/PPS-15(v) radar sets and \$900,000 from the 155mm projectile (ICM) in Procurement, Marine Corps, 1982/1984; \$10,000,000 from Rapier in Missile procurement, Air Force, 1982/1984; and \$12,000,000 from ABRES in RDT&E, Air Force, 1982/1983.

\$1,500,000 from the Louisiana Army Ammunition Plant layaway from Procurement of Ammunition, Army, 1982/1984.

\$16,100,000 from the 5" guided projectile and \$3,100,000 from contract savings in Other Procurement, Navy, 1982/1984.

\$73,200,000 from the Civil Reserve Air Fleet Program made up of \$36,100,000 from Aircraft procurement, Air Force, 1980/1982 account and \$37,100,000 from Aircraft procurement, Air Force, 1981/1983 account.

ADMINISTRATIVE PROVISIONS

The Administration requested a general provision which would have amended section 723 of the Department of Defense Appropriation Act, 1982. The modification would have allowed the procurement of specialty metals and chemical warfare protective clothing overseas if compliance with foreign purchase agreements or NATO standardization or interoperability requirements were involved. The Committee denied this request, but will again look at the situation in connection with the fiscal year 1983 appropriation bill.

The Administration requested two general provisions which would have allowed the receipts from the sale of defense articles from stock not to be replaced (free assets) to accrue to a Special Defense Acquisition Fund (SDAF), and would have allowed the obliga-

tion of funds from the Fund to begin this fiscal year. The Committee recommends that these two provisions not be included in the accompanying bill because it feels direct appropriations should be requested to finance this fund and not divert receipts that now flow to the United States Treasury utilizing a "backdoor" approach. If the Fund is essential to our security assistance program, surely it should have no problem in competing for budget authority requested directly for government-wide programs. In addition, the Committee feels this Fund is a matter to be dealt with more appropriately in foreign assistance appropriations, and has deferred action to that Subcommittee.

The fiscal year 1982 Defense Appropriations bill included Section 765 which prohibits free medical care in U.S. military medical facilities on an inpatient basis for foreign military and diplomatic personnel and their dependents. The budget proposed a general provision which would have modified Section 765 to exclude from the prohibition military and diplomatic personnel and their dependents from the NATO countries. The Committee believes that the proposed provision is unwarranted since no reciprocal agreement exists whereby U.S. military personnel and dependents stationed in other NATO countries receive free medical care and has denied this request.

The Congress included Section 779 in the fiscal year 1982 Defense Appropriation Bill which prohibits the Army from implementing proposed plans for POMCUS 5 and 6. The Administration requested a provision repealing this section in the supplemental bill. As discussed elsewhere in this report, the Committee has rejected the budget proposal to repeal this general provision.

The Congress included section 783 in the Department of Defense Appropriation Act, 1982 which prohibits the Department of Defense from purchasing administrative motor vehicles outside the United States or Canada unless contractors were selected through competitive bidding without differentials favoring foreign manufacturers. The Administration requested a provision repealing section 783, and the Committee denied this request.

The budget proposed a general provision which would have increased the amount allowed for emergencies and extraordinary expenses in Operation and Maintenance, Defense Agencies from \$5,812,000 to \$8,500,000. The Committee denied this request. This recommendation is explained in detail in the classified annex to this report.

Section 728 of the fiscal year 1982 Department of Defense Appropriation Act places a limitation of \$7,500,000 on the legislative affairs activities of the Defense Department. As a result of the military and civilian pay increases, the Committee recommends a provision increasing this limitation to \$8,000,000 as requested by the Administration.

Section 747 of the fiscal year 1982 Department of Defense Appropriation Act places a limitation of \$28,000,000 on the public affairs activities of the Defense Department. As a result of the military and civilian pay increases, the Committee recommends increasing this limitation to \$31,000,000 as requested by the Administration.

At the request of the Administration, the Committee has included a provision which would permit transferring funds to the re-

search, development, test and evaluation accounts to the extent necessary to absorb the October 1, 1981 civilian pay increase, reported by the Department to amount to \$97,285,000. Notification, rather than prior approval by the Committee, will be sufficient for those transfers made solely for purposes of meeting the pay raise. However, the Department is directed to ensure that no item of Congressional interest, including items specifically added by the Congress, shall be used as a source for the financing.

The Committee has included a provision which ratifies and confirms obligations for pay and allowances for military personnel incurred by the Defense Department in anticipation of the enactment of the supplemental bill if otherwise in accordance with the provisions of the bill.

The Committee has included a provision which prohibits the Department of Defense from purchasing coal or coke from foreign nations for use at United States defense facilities in Europe.

MILITARY PERSONNEL

The Committee recommends a total of \$4,687,041,000 in fiscal year 1982 supplemental appropriations for military personnel and retirement, a reduction of \$282,627,000 from the request of \$4,969,668,000. This portion of the supplemental request falls into three parts, (1) the military personnel program supplemental, including requests for the European Brigade, Fact of Life increases, the Uniformed Services Pay Act of 1981, and appropriation "underfinancing"; (2) increased costs of retired military pay; and (3) the military personnel pay increase. A summary comparison of the committee recommendation and the request appears in the following table:

SUMMARY OF MILITARY PERSONNEL AND RETIREMENT RECOMMENDATION

[In thousands]

	Request	Recommendation	Change
Program:			
European brigade	\$39,300	\$39,300	
Fact of life	49,700	49,700	
1981 pay Act	184,100	86,801	—\$97,299
Underfinancing	93,600		—93,600
Subtotal	366,700	175,801	—190,899
Retired pay	97,685	47,685	—50,000
Pay raise	4,505,283	4,463,555	—41,728
Total, military personnel and retirement	4,969,668	4,687,041	—282,627

MILITARY PERSONNEL PROGRAM SUPPLEMENTAL

European Brigade.—The Committee recommends \$39,300,000, the amount of the request, for the military personnel costs of the European Brigade. The discussion of the European Brigade appears under the Operation and Maintenance section of this chapter.

Fact of Life.—The Committee recommends \$49,700,000, the amount of the request, for the following fact of life items:

	(In millions)
Variable housing allowance.....	\$46.8
Full household goods weight allowance.....	1.7
Platoon leaders class enrollment and subsistence costs.....	1.2
Total.....	49.7

Estimates for these items are based on more recent actual program experience than was available when the original fiscal year 1982 budget was submitted.

Based on housing survey data, for instance, new rates for the variable housing allowance program went into effect on October 1, 1981. The original fiscal year 1982 budget was based on rates in effect in fiscal year 1981. The estimate is up for the full household goods weight allowance program as a result of Department policy on permanent change of station moves to Okinawa, which is expected to produce long term savings. The final fact of life adjustment is accounted for because enrollment in the platoon leaders class, the primary source of Marine Corps Officer accessions, is higher than anticipated, and because of higher than anticipated costs for certain contract-operated messes.

The Uniformed Services Pay Act of 1981.—The Committee recommends \$86,801,000 for programs under the Uniformed Services Pay Act of 1981, a reduction of \$97,299,000 from the request of \$184,100,000. A summary of the recommendation follows:

[In thousands]

	Request	Recommendation	Change
Entitlement:			
DOPMA basic allowance for subsistence.....	\$84,123	\$84,123	
Hazardous duty pay.....	422	422	
Aviator career incentive pay.....	400	400	
Discretionary:			
Temporary storage.....	1,300	1,300	
Temporary lodging allowance.....	67,840		-\$67,840
Reenlistment and enlistment bonuses.....	23,203		-23,203
Diving duty pay.....	2,556		-2,556
Nuclear officer bonuses.....	156	156	
Engineer/scientific bonuses.....	3,700		-3,700
ROTC scholarships.....	400	400	
Total.....	184,100	86,801	-97,299

Almost \$85,000,000 of the request to fund programs under the Uniformed Services Pay Act of 1981 are to fund entitlement programs initiated on October 1, 1981, including \$84,123,000 for the DOPMA basic allowance for subsistence, \$422,000 for hazardous duty pay, and \$400,000 for aviator career incentive pay. In its consideration of the remaining items, the Committee took into account that less than two months of fiscal year 1982 will still be remaining by the time this supplemental bill probably will go into effect, and the fact that it is generally inappropriate to start new programs in supplemental bills. The Committee recommends, therefore, that only critical or urgent discretionary items be funded.

The Committee believes that the \$3,700,000 request for the engineer/scientific bonus program meets the criteria, but directs the Air Force to fund this program from the \$45,100,000 it has identified as fiscal year 1982 savings. The balance of that amount is directed by the Committee to cover pay raise costs. The supplemental request of \$2,556,000 for diving duty pay has been superceded by an approved reprogramming action which funds the diving duty pay increase for the last quarter of fiscal year 1982. The request for the ROTC scholarships is for subsistence payments to cover increased scholarships targeted at chronic critical skill shortage areas. The Committee approved the increased scholarships by reprogramming action earlier this year. The Committee believes that the requests for the temporary lodging allowance and the reenlistment and enlistment bonus programs do not meet the criteria for funding in this supplemental.

Appropriation Act Underfinancing.—The Committee disapproves the request of \$93,600,000 for Appropriation Act Underfinancing. The items requested are as follows:

	<i>(In millions)</i>
Military pay accounting.....	\$6.8
Overbudgeting.....	29.2
Permanent change of station management improvements	13.0
Guard/reserve equipment	15.6
Foreign duty pay	7.9
Subsistence management improvements.....	6.6
Reenlistment bonuses.....	9.0
Drill attendance	5.5
Total.....	93.6

These so called appropriation act underfinancing items were specific reductions made by Congress during its consideration of the Defense Appropriations Act for fiscal year 1982. In most cases, the request simply calls for restoration of the entire reduction made. The Department did not take immediate steps to live with the funds appropriated for the year. With nine months in the fiscal year still remaining, it simply submitted a fiscal year 1982 supplemental request in conjunction with the fiscal year 1983 budget. To approve this request would be to condone and encourage one of the worst abuses of supplemental appropriations bills, asking a second time for the funds that had been denied only few months earlier.

MILITARY PERSONNEL, ARMY

The Committee recommends \$61,900,000, a reduction of \$43,500,000 from the request of \$105,400,000. The following table summarizes the recommendation:

[In thousands]

Program	Request	Recommendation	Change
European Brigade.....	\$39,300	\$39,300	.....
Fact of Life: Variable housing allowance.....	9,500	9,500	.....
1981 Pay Act:			
DOPMA basic allowance for subsistence.....	11,800	11,800	.....
Temporary storage	1,300	1,300	.....

Program	Request	Recommendation	Change
Temporary lodging allowance	30,000		-\$30,000
Diving duty	100		-100
Appropriation Act Underfinancing:			
Foreign duty pay	4,500		-4,500
Guard and Reserve equipment	8,900		-8,900
Total	105,400	61,900	-43,500

MILITARY PERSONNEL, NAVY

The Committee recommends \$55,656,000, a reduction of \$98,544,000 from the request of \$154,200,000. The following table summarizes the recommendation:

[In thousands]

Program	Request	Recommendation	Change
Fact of Life: Variable housing allowance	\$30,400	\$30,400	
1981 Pay Act:			
DOPMA basic allowance for subsistence	25,100	25,100	
Diving duty pay	2,392		-\$2,392
Selective reenlistment bonus	12,975		-12,975
Enlistment bonus	2,077		-2,077
Nuclear officer accession bonus	156	156	
Temporary lodging expense	16,800		-16,800
Appropriation Act Underfinancing:			
Military pay accounting	6,800		-6,800
PCS management improvements	13,000		-13,000
Overbudgeting	29,200		-29,200
Guard/reserve equipment	6,700		-6,700
Foreign duty pay	2,000		-2,000
Subsistence management improvements	6,600		-6,600
Total	154,200	55,656	-98,544

MILITARY PERSONNEL, MARINE CORPS

The Committee recommends \$31,945,000, a reduction of \$18,755,000 from the request of \$50,700,000. The following table summarizes the recommendation:

[In thousands]

Program	Request	Recommendation	Change
Fact of life:			
Variable housing allowance	\$5,500	\$5,500	
Full household goods weight allowance	1,700	1,700	
1981 Pay Act:			
Diving duty pay	64		-\$64
Selective reenlistment bonus	944		-944
Enlistment bonus	1,007		-1,007
Temporary lodging allowance	6,340		-6,340
Hazardous duty incentive pay	422	422	

Program	Request	Recommendation	Change
DOPMA basic allowance for subsistence.....	24,323	24,323	
Appropriation Act Underfinancing:			
Foreign duty pay.....	1,400		-1,400
Selective reenlistment bonus.....	9,000		-9,000
Total.....	50,700	31,945	-18,755

MILITARY PERSONNEL, AIR FORCE

The Committee recommends \$4,500,000 a reduction of \$23,800,000 from the request of \$28,300,000. The following table summarizes the recommendation:

[In thousands]

Program	Request	Recommendation	Change
1981 Pay Act:			
DOPMA basic allowance for subsistence.....	\$4,500	\$4,500	
Scientific and engineering bonus.....	3,700		-\$3,700
Selective reenlistment bonus.....	6,200		-6,200
Temporary lodging expense.....	13,900		-13,900
Total.....	28,300	4,500	-23,800

RESERVE PERSONNEL, ARMY

The Committee recommends \$4,200,000, a reduction of \$5,200,000 from the request of \$9,400,000. The following table summarizes the recommendation:

[In thousands]

Program	Request	Recommendation	Change
Fact of life: Variable housing allowance.....	\$1,400	\$1,400	
1981 Pay Act:			
DOPMA basic allowance for subsistence.....	2,800	2,800	
Temporary lodging expense.....	400		-\$400
Appropriation Act Underfinancing: Drill attendance.....	4,800		-4,800
Total.....	9,400	4,200	-5,200

RESERVE PERSONNEL, NAVY

The Reserve Personnel, Navy appropriation for fiscal year 1979 incurred a violation of Section 3679 of the Revised Statutes. The fiscal year 1982 Defense Appropriation Bill provided authority to transfer up to \$100,000 to liquidate a portion of these overobligations. The Committee urges the Department to continue implementing planned improvements in the management system, and recommends language providing for transfer of another \$300,000,

requested in this supplemental, to cover the additional costs of the overobligation.

RESERVE PERSONNEL, MARINE CORPS

The Committee recommends \$2,000,000, a reduction of \$800,000 from the request of \$2,800,000. The following table summarizes the recommendation:

[In thousands]

Program	Request	Recommendation	Change
Fact of Life: Platoon leaders class enrollment and subsistence costs	\$1,200	\$1,200	
1981 Pay Act:			
DOPMA basic allowance for subsistence	800	800	
Temporary lodging expenses	100		-\$100
Appropriation Act Underfinancing: Drill attendance	700		-700
Total	2,800	2,000	-800

RESERVE PERSONNEL, AIR FORCE

The Committee recommends \$4,000,000 the amount of the request. The following table summarizes the request:

[In thousands]

Program	Request	Recommendation	Change
1981 Pay Act:			
DOPMA basic allowance for subsistence	\$3,600	\$3,600	
ROTC scholarships	400	400	
Total	4,000	4,000	

NATIONAL GUARD PERSONNEL, ARMY

The Committee recommends \$9,600,000, a reduction of \$100,000 from the request of \$9,700,000. The following table summarizes the recommendation:

[In thousands]

Program	Request	Recommendation	Change
1981 Pay Act:			
DOPMA basic allowance for subsistence	\$9,600	\$9,600	
Temporary lodging allowance	100		-\$100
Total	9,700	9,600	-100

NATIONAL GUARD PERSONNEL, AIR FORCE

The Committee recommends \$2,000,000, a reduction of \$200,000 from the request of \$2,200,000. The following table summarizes the recommendation:

(In thousands)

Program	Request	Recommendation	Change
1981 Pay Act:			
DOPMA basic allowance for subsistence	\$1,600	\$1,600	
Aviation career incentive pay	400	400	
Temporary lodging expense	200	.....	-\$200
Total	2,200	2,000	-200

MILITARY PERSONNEL PAY INCREASE

The Committee recommends \$4,463,555,000 to cover the costs of the 14.3 percent military personnel pay increase Congress made effective on October 1, 1981. The recommendation is a reduction of \$41,728,000 from the request of \$4,505,283,000.

Over the last few years, Congress has enacted a number of substantial pay and benefit increases for military personnel. The effect of those increases together with a sluggish economy have resulted in unanticipated, historically high levels of retention. Achievement of higher retention rates, which has been a continuing goal for the Department, means a higher concentration of experienced people and the potential for improved readiness. That is good, but it also means higher costs than anticipated because of increased average strength, and because accessions through retention of more experienced personnel require higher pay than accessions through recruitment of new people. Indeed, the Committee has considered and approved reprogramming requests this Spring to cover the increased costs of high average strength due to improved retention rates. The Department has identified \$41,400,000 in one service component which is available for purposes other than appropriated. In addition \$328,000 is available from sources in reprogramming requests which have been denied. The Committee has used both of these sources of funds to cover some of the pay raise costs. In other respects, the Committee believes that the amounts requested accurately reflect the impact of the October 1981 pay raise.

RETIRED MILITARY PERSONNEL

RETIRED PAY, DEFENSE

The Committee recommends \$47,685,000 for retired pay, a reduction of \$50,000,000 from the request of \$97,685,000. The reduction is based on a reestimate by the Department of its requirements to fund this account through fiscal year 1982.

OPERATION AND MAINTENANCE

SUMMARY OF ESTIMATES

The supplemental request includes a total of \$1,731,633,000 in direct appropriations and \$37,226,000 in transfers. This would provide resources to fund \$873,359,000 for civilian pay raises, and \$895,500,000 for program increases.

The Committee recommends reductions of \$107,800,000 to the pay raise request and \$731,900,000 to the program request. These reductions are partially offset by an increase of \$159,900,000 in transfers from available existing appropriations.

In summary, the Committee recommends direct appropriation of \$765,559,000 and transfer of \$95,200,000 for a total of \$860,759,000 for civilian pay raises; and direct appropriation of \$126,374,000 and transfer of \$101,926,000 for a total of \$228,300,000 for program increases. A specific breakout between direct appropriation and transfer for each appropriation is included below:

O. & M. APPROPRIATIONS

[Dollars in thousands]

	Pay			Program			Total		
	Request	Recommendation	Change	Request	Recommendation	Change	Request	Recommendation	Change
Army:									
NOA	245,000	234,500	-10,500	362,900	27,300	-335,600	607,900	261,800	-346,100
Transfer					23,500	+23,500		23,500	+23,500
Navy:									
NOA	238,400	238,400		191,874	40,974	-150,900	430,274	279,374	-150,900
Transfer				37,226	76,426	+39,200	37,226	76,426	+39,200
Marine Corps:									
NOA	12,700	12,700		25,300	4,800	-20,500	38,000	17,500	-20,500
Transfer					2,000	+2,000		2,000	+2,000
Air Force:									
NOA	162,500	67,300	-95,200	103,300	23,000	-80,300	265,800	90,300	-175,500
Transfer		95,200	+95,200					95,200	+95,200
Defense Agencies:									
NOA	145,800	144,800	-1,000	61,200	25,800	-35,400	207,000	170,600	-36,400
Transfer									
Army Reserve:									
NOA	11,611	11,211	-400	800	800		12,411	12,011	-400
Transfer									
Navy Reserve:									
NOA	3,247	3,247		200	200		3,447	3,447	
Transfer									
Marine Corps Reserve:									
NOA	145	145					145	145	
Transfer									
Air Force Reserve:									
NOA	9,500	9,500		600	600		10,100	10,100	
Transfer									
Army National Guard:									
NOA	20,947	20,247	-700	1,500	1,500		22,447	21,747	-700
Transfer									
Air National Guard:									
NOA	23,400	23,400		1,400	1,400		24,800	24,800	

PROGRAM SUPPLEMENTAL

The Department of Defense requested a program supplemental of \$858,274,000 and transfers of \$37,226,000 for the Operation and Maintenance appropriations. Included in this request are fact of life increases associated with postal rates, health benefits, Public Health Hospitals, unemployment compensation, utilities, leased satellites, Section 6 schools, Veterans Educational Assistance Program, per diem equity and retention of an Army brigade. There were funds also requested in the program supplemental to start new efforts for real property maintenance, fuel stockpile, and POMCUS 5 and 6.

The Committee has reviewed these requests in detail and concluded that only \$126,374,000 in additional program funding is necessary. The remaining critical "must-fund" items can be accommodated within existing appropriations through transfers totalling \$101,926,000. Specific descriptions of adjustments to individual programs and appropriations follow.

MANDATORY OPERATION AND MAINTENANCE COST INCREASES

The Department of Defense has requested additional funds for known cost increases which have occurred subsequent to enactment of the fiscal year 1982 Defense Appropriations Bill. The Committee has reviewed each request in detail and recommends full funding for the following items: postal rate increases—\$8,100,000; public health hospitals—\$8,100,000; LEASAT—\$58,600,000; Section Six schools—\$11,000,000; Veterans Educational Assistance Program (VEAP)—\$10,800,000; and per diem equity—\$20,000,000.

Mandatory cost items for which the Committee is recommending an adjustment are addressed elsewhere. Although the Committee recommends full funding of the public health hospitals' cost increase, a discussion is contained elsewhere in this report addressing the significant problems facing this program.

CIVILIAN HEALTH BENEFIT INCREASE

On December 31, 1981, the Office of Personnel Management issued revised agency contribution rates for the Federal Employees Health Benefits program. These rates became effective in the first pay period beginning after December 31, 1981. The additional cost of this rate change was not included in the fiscal year 1982 President's budget and has been included in this supplemental for a total request of \$50,600,000 across all the services and defense agencies.

Of the \$50,600,000 requested in operation and maintenance funding, \$14,000,000 is not required for personnel financed out of that appropriation. Instead, it would be passed as a lump sum cash infusion to the various industrial funds of the Department of Defense to finance the increased health costs of employees working in the many DoD industrial facilities. One of the primary benefits of an industrial fund is its ability to absorb unforeseen cost increases or decreases without it being necessary to either change customer rates or to request supplemental appropriations. There appears to be no urgency attached with the request of funding for the lump

sum cash infusion to the industrial funds since the Department testified that under DoD's rate stabilization policy, any shortfall which may occur in the industrial funds (and there is no certainty that such a shortfall will occur) can be recovered in the industrial fund rate structure in subsequent fiscal years.

The Committee is therefore recommending deletion of the \$14,000,000 requested as a lump sum cash infusion to the various industrial funds, but recommends full funding of the remaining \$36,600,000 which is necessary to finance the Federal Employees Health Benefits rate increase in fiscal year 1982.

UNEMPLOYMENT COMPENSATION

The Omnibus Reconciliation Act of 1980 (Public Law 96-499) required that all employment benefits paid to former federal employees, based on federal service performed after December 30, 1980, be reimbursed to the Federal Employees Compensation account of the unemployed trust fund by the affected federal department and agencies. Prior to this, the Department of Labor budgeted for and paid all of these charges for one central account for the entire federal government.

The Department of Defense is requesting \$53,600,000 in total for all Defense agencies for reimbursement to the Department of Labor during fiscal year 1982. Although fiscal year 1982 is nearly complete, the Department of Defense has received bills from the Department of Labor totaling only \$2 million for all of the services combined. Moreover, none of the services use the same method for estimating funding required for this new unbudgeted cost. Finally, DoD has included funds in this request to pay the unemployment compensation costs for such personnel as nonappropriated fund employees.

The Committee recommends deletion of \$40,000,000 from the requested \$53,600,000 and funding the remaining \$13,600,000. This reduction is possible due to the excess funding requested based upon the actual billing to date, and the inappropriate budgeting in the direct appropriation account for costs of nonappropriated fund employees. The Department is directed to develop a reasonable estimate of the cost which should be shared with the nonappropriated fund and not create a new subsidy from direct appropriations when reimbursing the Department of Labor. Additionally, the Committee has included sufficient funding in the Operation and Maintenance, Navy account to accommodate all Navy Departmental costs including the Marine Corps.

INCREASE IN COST OF NAVY UTILITIES

Included in the fiscal year 1982 program supplemental for Operation and Maintenance, Navy is \$52,000,000 for an increase in the cost of utilities. According to the justification provided to the Committee, this request is a one year only accommodation of the effect of higher than budgeted inflation in the prior fiscal year.

In a December 1981 newsletter of the Naval Facilities Engineering Command, the concern was expressed that "the Navy enters fiscal year 1982 approximately two years behind its timetable for reducing energy consumption." This newsletter also pointed out

that the Navy had missed its goal of a 2 percent reduction in annual energy use between fiscal years 1980 and 1981 and had, instead, actually increased its consumption per square foot during that period. The Committee notes that only the Navy found it necessary to request additional funding in this supplemental for increased utilities cost and believes that more effort should be expended on meeting its conservation goals in order to reduce its energy consumption rather than simply asking for supplementals to finance its inefficiency.

Sixty percent of the \$52,000,000 the Navy is requesting will go to O&M funded activities who must have enough cash on hand in direct appropriations to pay all of the bills before September 30th. The remaining 40 percent, or approximately \$20,000,000 will not be paid directly to a utility company but rather will be paid to the Navy industrial fund activity. One of the purposes of the revolving funds such as a Navy industrial fund, is to stabilize the rates to the customers for an entire year with the industrial fund absorbing either the profit or the loss from year to year. This allows the customer to budget for sufficient funds to execute his program. During a Committee hearing on this issue, the Navy testified that "if the \$20,000,000 for NIF utilities were to be denied, no utility bill would go unpaid. The expenses would be financed from NIF corpus. There would be no R.S. 3679 violation." The Committee is therefore recommending deletion of the \$20,000,000 requested for industrial fund activities.

ADDITIONAL ADJUSTMENTS

The supplemental includes a request of \$109,200,000 in the Defense stock fund to procure 2.3 million barrels of fuel. The supplemental also requests an increase of \$460,000,000 for real property maintenance. Based upon testimony during the Committee's hearings, the Committee believes that there is no urgency attached to these two requests which would warrant appropriating these funds in the fiscal year 1982 supplemental only months before the fiscal year 1983 appropriation will be available. Moreover, the Secretary of Defense has offered both of these requests to the Senate Armed Services Committee as potential candidates for reduction. Due to the lack of urgency and the low priority given these programs by the Secretary of Defense, the Committee is recommending denial of both the \$109,200,000 for fuel inventory stockpiling and the \$460,000,000 for maintenance of real property.

The Committee has also deleted \$1,000,000 from the civilian pay request of the Defense Agencies which was indicated to be in excess of requirements.

Finally, the program supplemental request of the Army has been reduced by \$2,500,000 which was available as a result of action taken previously on a reprogramming request concerning the Army's Skill Qualifications Test.

ARMY EUROPEAN BRIGADE

In the fiscal year 1982 budget, the Army proposed to inactivate the third brigade of the first cavalry division station at Wiesbaden, Germany in the fourth quarter of fiscal year 1982. The Congress

approved this proposal in enacting the fiscal year 1982 Defense Appropriations Bill. The supplemental for fiscal year 1982 contains a total of \$63,200,000 in both the military personnel and operation and maintenance accounts to reverse the Department's proposal to disestablish this European brigade. If the Congress disapproves the supplemental request, the Army would be forced to delete the brigade from the force structure and also dismiss 4,100 military personnel from the Army. At a time when the Chief of Staff is calling his own military service the "hollow Army", the Committee believes that it would be unwise to reduce the number of military personnel in the Army. Therefore, the Committee recommends full funding of the request.

PRE-POSITIONING OF MATERIAL CONFIGURED IN UNIT SETS (POMCUS)

In the fiscal year 1982 appropriation, Congress deleted \$12,500,000 requested for POMCUS and also included a general provision prohibiting the Army from implementing proposed plans for POMCUS 5 and 6. The Committee has held several hearings addressing POMCUS over the last several years and in addition has held two hearings this year on the matter, one addressing the fiscal year 1983 request and one addressing the fiscal year 1982 supplemental which asks the Committee to completely reverse the fiscal year 1982 action by restoring the \$12,500,000 deleted and eliminating the restriction in the general provisions.

The Department of Defense has presented no new information which would indicate that the Congress should change its previous position. Consequently, the Committee is recommending that the request for \$12,500,000 be denied and that no change be made to Section 779 of the fiscal year 1982 Defense Bill prohibiting an obligation of funds for POMCUS sets 5 and 6.

FORMER PUBLIC HEALTH SERVICE FACILITIES

The Omnibus Reconciliation Act of 1981 (Public Law 97-35) authorized the transfer of public health facilities to public or non-profit private entities. Late last year, an amendment to the fiscal year 1982 Military Construction Authorization Act (Public Law 97-99) designated these facilities as "uniformed service" facilities for purposes of providing medical and dental care for three years. In effect, this designation requires uniformed service beneficiaries to seek in-patient care at these facilities if they live within a 40-mile radius. Out-patient care, while not mandatory at these facilities, is provided at no cost to the individual. Payment for either in-patient or out-patient care is the responsibility of the appropriate military service.

The DOD perceives a number of problems have surfaced regarding the entire PHS issue in general and reimbursements to the "uniformed service" hospitals in particular.

One of the problems noted is rate-setting. The law requires the Department of Defense and the Department of Health and Human Services (DHHS) to negotiate reimbursement rates with each facility, based on health care costs in each area. The Department of Defense has stated that they have neither the expertise nor the resources to carry out this task. DHHS has begun the process for the

Department of Defense by negotiating an "all-inclusive rate" which was paid on a per-patient day basis. However, it has been stated that DHHS will not continue to negotiate rates in the future.

The Department of Defense states that the original negotiated all-inclusive rates are increasing and a number of exclusions have been approved by DHHS which raises the true cost even higher. In some cases, over 150 exclusions have been approved by DHHS, thus exacerbating the DOD rate setting problems. The very number of special rates may be excessive. A further complication to the all-inclusive rate is the refusal of physicians in some facilities to practice under anything but a fee-for-service basis. Because of these problems with the all-inclusive rate, the Department has proposed moving to a billed charges/fee-for-service reimbursement procedure so that these facilities would bill the Department in the same manner as any other third party payer, such as Blue Cross-Blue Shield.

In several cases, the Department of Defense is reimbursing the uniformed service facilities based on rates that are set by state rate-setting commissions. This ensures that an independent regulatory agency is reviewing and approving rates based on principles that have been shown to be accurate and effective in controlling costs. However, the approved rates are significantly higher than rates which the Department of Defense (or the Public Health Service in the past) quotes for their in-patient facilities. Testimony received from DOD officials has asserted that costs to the government also will be appreciably higher at the uniformed service facilities than in the CHAMPUS program because the CHAMPUS deductions and co-payment would not come into play.

The uniformed service facilities argue that their costs are often lower than those of community hospitals; that the all-inclusive rate for hospital and professional services has incentives to control costs; and that their total costs for medical care will be competitive with the costs incurred by DOD through the CHAMPUS program. The facilities also feel it will be possible to examine objectively these contradictory claims during the next few years as data are collected from the individual uniformed service facility, each of which is quite different and unique. Additionally, DOD will have the opportunity to negotiate different reimbursement methods, for instance, prepayment (as is done in health maintenance organizations), and may improve even further the cost-effectiveness to the Government.

With respect to dental and pharmacy rates, there is currently no separate provision for charges of dental visits. Some facilities want to charge for a full clinic visit (from \$60 to \$78) while others argue that a separate list of fees be established.

It has also been reported that some of the uniformed services facilities are providing some types of health care under contracts with other nearby civilian facilities although the amount of contracted services varies from facility to facility. If these new facilities can sub-contract at will and pick up more and more of the Department of Defense business which the Department must by law send to them, it would follow that CHAMPUS business from other private hospitals in those areas may be drawn away, thus potentially creating a greater Government cost as these expenses are

passed through to the subcontractor. At present, however, the hospital's ability to subcontract is limited in the negotiated agreements.

In short, the way the law is written, the Department of Defense has no control over utilization or cost in this arrangement. If utilization goes up, DOD can't stop it from going up; if charges go up, the Department of Defense is pretty much bound by it. These facts were brought out in testimony received by the Committee.

It is clear to the Committee that the newness of this arrangement has raised contradictory opinions about the administration, rate-setting, and cost-effectiveness to the government of establishing uniformed service facilities in community-controlled hospitals. The Committee believes that these issues should be examined and any needed corrective action should be considered with respect to some of the "problems" expressed by officials of the Department of Defense. Due to the lateness in fiscal year 1982, the Committee will address this issue in the fiscal year 1983 report and bill.

OPERATION AND MAINTENANCE, ARMY

The Committee recommends an appropriation of \$27,300,000 and transfer of \$23,500,000 for Operation and Maintenance, Army. The total recommended is \$312,100,000 less than the total program request of \$362,900,000.

The following table provides a summary of the items requested to which the Committee is recommending a change from the budget submission:

[In thousands]

	Request	Recommendation	Change
Postal costs	\$2,200	\$2,200	
Health benefits	13,900	10,900	-\$3,000
Real property maintenance	275,000		-275,000
European brigade	23,000	23,000	
Public health hospitals	3,400	3,400	
POMCUS sets 5 and 6	12,500		-12,500
Veterans education assistance (VEAP)	3,600	3,600	
Unemployment compensation	25,500	6,400	-19,100
Per diem equity	3,800	3,800	
SQT reprogramming		-2,500	-2,500

OPERATION AND MAINTENANCE, NAVY

The Committee recommends an appropriation of \$40,974,000 and transfer of \$76,426,000 for Operation and Maintenance, Navy. The total recommended is \$111,700,000 less than the program request of \$191,874,000 and transfers of \$37,226,000.

The following table provides a summary of the items requested to which the Committee is recommending a change from the budget submission:

[In thousands]

	Request	Recommendation	Change
Increased utilities	\$52,000	\$32,000	— \$20,000
Postal costs	2,300	2,300	.....
Health benefits program.....	14,100	5,100	— 9,000
Real property maintenance.....	75,000	.....	— 75,000
Public health hospitals.....	3,300	3,300	.....
Veterans education assistance.....	5,100	5,100	.....
Unemployment compensation	11,500	3,800	— 7,700
LEASAT	58,600	58,600	.....
Per diem equity.....	7,200	7,200	.....

LIQUIDATION OF CONTRACT AUTHORITY

The Committee has approved the full request of \$43,641,000 for liquidation of contract authority included in the Operation and Maintenance, Navy appropriation.

OPERATION AND MAINTENANCE, MARINE CORPS

The Committee recommends an appropriation of \$4,800,000 and transfer of \$2,000,000 for Operation and Maintenance, Marine Corps. The total recommended is \$18,500,000 less than the total program request of \$25,300,000.

The following table provides a summary of the items requested to which the Committee is recommending a change from the budget submission:

[In thousands]

	Request	Recommendation	Change
Postal costs	\$800	\$800	.....
Health benefits program.....	900	900	.....
Real property maintenance.....	15,000	.....	— \$15,000
Veterans educational assistance.....	1,500	1,500	.....
Unemployment compensation	3,500	.....	— 3,500
Per diem equity.....	3,600	3,600	.....

OPERATION AND MAINTENANCE, AIR FORCE

The Committee recommends an appropriation of \$23,000,000 for Operation and Maintenance, Air Force. The amount recommended for appropriation is \$80,300,000 less than the total program request of \$103,300,000.

The following table provides a summary of the items requested to which the Committee is recommending a change from the budget submission:

[In thousands]

	Request	Recommendation	Change
Postal costs	\$1,700	\$1,700	
Health benefits.....	8,200	6,200	-\$2,000
Real property maintenance.....	75,000		-75,000
Public health hospitals.....	1,400	1,400	
Veterans educational assistance.....	600	600	
Unemployment compensation.....	11,000	2,700	-8,300
Per diem equity.....	5,400	5,400	
Altus AFB tornado damage.....		5,000	+5,000

ALTUS AIR FORCE BASE TORNADO DAMAGE

On May 11, 1982, a tornado struck Altus Air Force Base in Oklahoma. Forty-nine buildings were damaged or destroyed and twenty-seven persons injured. It is estimated that damage totaled at a minimum \$22,000,000.

Due to the urgency associated with making needed emergency repairs to prevent further costly deterioration of facilities and to minimize the adverse impact on the readiness of the Military Airlift Command, the Committee is recommending appropriation of \$5,000,000.

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

The Committee recommends an appropriation of \$25,800,000 for Operation and Maintenance, Defense Agencies. The amount recommended for appropriation is \$35,400,000 less than the total program request of \$61,200,000.

The following table provides a summary of the items requested to which the Committee is recommending a change from the budget submission:

[In thousands]

	Request	Recommendation	Change
Postal costs	\$1,100	\$1,100	
Health benefits.....	9,000	9,000	
Intelligence.....	18,000	4,000	-\$14,000
Real property maintenance.....	20,000		-20,000
Section 6 schools.....	11,000	11,000	
Unemployment compensation.....	2,100	700	-1,400

DEFENSE STOCK FUND

The Committee recommends denying the full \$109,200,000 requested for the Defense Stock Fund.

The following table provides a summary of the items requested to which the Committee is recommending a change from the budget submission:

[In thousands]

	Request	Recommendation	Change
Fuel inventory buildup.....	\$109,200		—\$109,200

OPERATION AND MAINTENANCE, ARMY RESERVE

The Committee recommends appropriation of the full \$800,000 requested for Operation and Maintenance, Army Reserve.

The following table provides a summary of the items requested and the Committee recommendation on the budget submission:

[In thousands]

	Request	Recommendation	Change
Health benefits.....	\$800	\$800	

OPERATION AND MAINTENANCE, NAVY RESERVE

The Committee recommends appropriation of the full \$200,000 requested for Operation and Maintenance, Navy Reserve.

The following table provides a summary of the items requested and the Committee recommendation on the budget submission:

[In thousands]

	Request	Recommendation	Change
Health benefits.....	\$200	\$200	

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

The Committee recommends appropriation of the full \$600,000 requested for Operation and Maintenance, Air Force Reserve.

The following table provides a summary of the items requested and the Committee recommendation on the budget submission:

[In thousands]

	Request	Recommendation	Change
Health benefits.....	\$600	\$600	.....

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

The Committee recommends an appropriation of the full \$1,500,000 requested for Operation and Maintenance, Army National Guard.

The following table provides a summary of the items requested and the Committee recommendation on the budget submission:

[in thousands]

	Request	Recommendation	Change
Health benefits.....	\$1,500	\$1,500	.....

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

The Committee recommends appropriation of the full \$1,400,000 requested for Operation and Maintenance, Air National Guard.

The following table provides a summary of the items requested and the Committee recommendation on the budget submission:

[in thousands]

	Request	Recommendation	Change
Health benefits.....	\$1,400	\$1,400	.....

CIVILIAN PAY INCREASES

The Department requested \$873,359,000 to finance the fiscal year 1982 civilian pay increase which is less than the full \$1,008,863,000 in costs associated with the pay increase. The Committee is recommending an appropriation of \$765,559,000 and an additional \$95,200,000 in transfers for a net reduction of \$12,600,000 from the request. The full amount of the transfer has been applied against Operation and Maintenance, Air Force.

CIVIL SERVICE CASH AWARDS

The Army has requested a total of \$11,600,000 for new civil service cash awards. The Committee is denying this request without prejudice as being inappropriate for a pay supplemental.

PROCUREMENT

For procurement appropriations, the Committee considered supplemental appropriation requests totaling \$1,042,691,000, consisting of \$698,970,000 in new obligational authority and \$343,721,000 in reappropriations. The Committee recommends an appropriation of \$17,700,000 for Other Procurement, Air Force. The Committee recommends denial of the remaining items because they lacked authorization, because they were new starts, or because they did not meet the criteria for a supplemental—to meet emergency or critical unanticipated requirements. The following is a summary of the Committee recommendations:

	Request	Recommend	Change
Army:			
Procurement of weapons and tracked combat vehicles: M-1 tank surge.....	\$126,000,000		-\$126,000,000
Other procurement: Emergency support equipment.....	20,000,000		-20,000,000
Navy:			
Shipbuilding and conversion:			
CG-47	80,000,000		-80,000,000
MCM	19,000,000		-19,000,000
TAO	58,000,000		-58,000,000
Trident	106,400,000		-106,400,000
Reappropriation	343,721,000		-343,721,000
Procurement, Marine Corps: Logistics support vehicle	20,000,000		-20,000,000
Air Force:			
Aircraft procurement:			
KC-10	115,000,000		-115,000,000
C-5B	99,100,000		-99,100,000
KC-10 spares	5,000,000		-5,000,000
Other Procurement: Selected activities.....	40,470,000	\$17,700,000	-22,770,000
Defense Agencies: Emergency support equipment.....	10,000,000		-10,000,000
Total	1,042,691,000	17,700,000	-1,024,991,000

OTHER PROCUREMENT, AIR FORCE

SELECTED ACTIVITIES

The Committee recommends an appropriation of \$17,700,000, a reduction of \$22,770,000 from the \$40,470,000 budget estimate. This recommendation is explained in the classified annex to this report.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

ADVANCED BALLISTIC REENTRY VEHICLE

An Air Force request for \$57,000,000 to fund engineering development of the Advanced Ballistic Reentry Vehicle (ABRV) has been denied authorization by both House and Senate Armed Services Committees. The Committee accordingly recommends that no funds be provided for ABRV.

INTELLIGENCE COMMUNITY STAFF

The Committee recommends \$632,000 for the Intelligence Community Staff, which is the supplemental budget request. This funding is required due to General Schedule pay increases.

Account Number	Description	FY 1977	FY 1978
43-122	INTELLIGENCE COMMUNITY STAFF	4,992,000	5,962,000
43-122-1	PERSONNEL	299,300,000	323,001,000
43-122-1-1	GENERAL SCHEDULE	33,500,000	37,000,000
43-122-1-2	PROFESSIONAL PERSONNEL	8,100,000	8,500,000
43-122-1-3	NON-FEDERAL PERSONNEL	10,000,000	10,000,000
43-122-1-4	PERSONNEL SERVICES	3,800,000	3,900,000
43-122-1-5	PERSONNEL TRAINING	1,200,000	1,200,000
43-122-1-6	PERSONNEL MANAGEMENT	4,100,000	4,100,000
43-122-1-7	PERSONNEL RECORDS	50,200,000	52,000,000
43-122-1-8	PERSONNEL INFORMATION	20,500,000	21,200,000
43-122-1-9	PERSONNEL SECURITY	120,300,000	125,000,000
43-122-1-10	PERSONNEL INVESTIGATION	100,000,000	100,000,000
43-122-1-11	PERSONNEL EVALUATION	600,000	600,000
43-122-1-12	PERSONNEL AND ADMINISTRATION	200,000	200,000
43-122-1-13	PERSONNEL AND ADMINISTRATION	600,000	600,000
43-122-1-14	PERSONNEL MANAGEMENT	1,200,000	1,200,000
43-122-1-15	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-16	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-17	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-18	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-19	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-20	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-21	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-22	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-23	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-24	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-25	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-26	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-27	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-28	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-29	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-30	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-31	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-32	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-33	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-34	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-35	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-36	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-37	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-38	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-39	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-40	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-41	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-42	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-43	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-44	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-45	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-46	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-47	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-48	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-49	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000
43-122-1-50	PERSONNEL AND ADMINISTRATION	1,000,000	1,000,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
CHAPTER III				
DEPARTMENT OF DEFENSE - MILITARY				
MILITARY PERSONNEL				
97-125	Military personnel, Army.....	105,400,000	61,900,000	-43,500,000
97-125	Military personnel, Navy.....	154,200,000	55,656,000	-98,544,000
97-125	Military personnel, Marine Corps.....	50,700,000	31,945,000	-18,755,000
97-125	Military personnel, Air Force.....	28,300,000	4,500,000	-23,800,000
97-125	Reserve personnel, Army.....	9,400,000	4,200,000	-5,200,000
97-125	Reserve personnel, Navy (liquidation of obligations)..	(300,000)	(300,000)	---
97-125	Reserve personnel, Marine Corps.....	2,800,000	2,000,000	-800,000
97-125	Reserve personnel, Air Force.....	4,000,000	4,000,000	---
97-125	National Guard personnel, Army.....	9,700,000	9,600,000	-100,000
97-125	National Guard personnel, Air Force.....	2,200,000	2,000,000	-200,000
Total, Military Personnel.....		366,700,000	175,801,000	-190,899,000
RETIRED MILITARY PERSONNEL				
97-125	Retired pay, Defense.....	97,685,000	47,685,000	-50,000,000

OPERATION AND MAINTENANCE

97-125	Operation and maintenance, Army.....	362,900,000	27,300,000	-335,600,000
---	(Transfer from other accounts).....	---	(23,500,000)	(+23,500,000)
97-125	Operation and maintenance, Navy.....	191,874,000	40,974,000	-150,900,000
97-125	(Transfer from other accounts).....	(37,226,000)	(76,426,000)	(+39,200,000)
97-125	(Liquidation of contract authority).....	(43,641,000)	(43,641,000)	---
97-125	Operation and maintenance, Marine Corps.....	25,300,000	4,800,000	-20,500,000
---	(Transfer from other accounts).....	---	(2,000,000)	(+2,000,000)
97-125	Operation and maintenance, Air Force.....	103,300,000	23,000,000	-80,300,000
97-125	Operation and maintenance, Defense Agencies.....	61,200,000	25,800,000	-35,400,000
97-125	Defense stock fund.....	109,200,000	---	-109,200,000
97-125	Operation and maintenance, Army Reserve.....	800,000	800,000	---
97-125	Operation and maintenance, Navy Reserve.....	200,000	200,000	---
97-125	Operation and maintenance, Air Force Reserve.....	600,000	600,000	---
97-125	Operation and maintenance, Army National Guard.....	1,500,000	1,500,000	---
97-125	Operation and maintenance, Air National Guard.....	1,400,000	1,400,000	---
	Total, Operation and Maintenance.....	858,274,000	126,374,000	-731,900,000
	(Transfer from other accounts).....	(37,226,000)	(101,926,000)	(+64,700,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
	PROCUREMENT			
97-125	Procurement of weapons and tracked combat vehicles, Army.....	126,000,000	---	-126,000,000
97-125	Other procurement, Army.....	20,000,000	---	-20,000,000
97-125	Shipbuilding and conversion, Navy.....	263,400,000	---	-263,400,000
97-125	Reappropriation FY 1983.....	343,721,000	---	-343,721,000
97-125	Procurement, Marine Corps.....	20,000,000	---	-20,000,000
97-125	Aircraft procurement, Air Force.....	219,100,000	---	-219,100,000
97-125	Other procurement, Air Force.....	40,470,000	17,700,000	-22,770,000
97-125	Procurement, Defense agencies.....	10,000,000	---	-10,000,000
	Total, Procurement.....	1,042,691,000	17,700,000	-1,024,991,000
	RESEARCH, DEVELOPMENT, TEST, AND EVALUATION			
97-125	Research, development, test, and evaluation, Air Force	57,000,000	---	-57,000,000
	Total, Chapter III:			
	New budget (obligational) authority.....	2,422,350,000	367,560,000	-2,054,790,000
	Appropriations.....	(2,078,629,000)	(367,560,000)	(-1,711,069,000)
	Reappropriation FY 1983.....	(343,721,000)	---	(-343,721,000)
	(By transfer).....	(37,226,000)	(101,926,000)	(+64,700,000)
	(Appropriation to liquidate contract authority and obligations).....	(43,941,000)	(43,941,000)	---

CHAPTER IV

SUBCOMMITTEE ON DISTRICT OF COLUMBIA

JULIAN C. DIXON, *California, Chairman*

WILLIAM H. NATCHER, Kentucky
LOUIS STOKES, Ohio
CHARLES WILSON, Texas
WILLIAM LEHMAN, Florida

LAWRENCE COUGHLIN, Pennsylvania
BILL GREEN, New York
JOHN EDWARD PORTER, Illinois

DISTRICT OF COLUMBIA

DISTRICT OF COLUMBIA FUNDS

SUMMARY

The Committee recommends approval of the supplemental appropriations requested by the District of Columbia government totaling \$75,200,400 consisting of \$63,871,400 in general fund operating expenses, \$10,555,000 in capital outlay, and \$774,000 for the Washington Convention Center Enterprise Fund. The Committee has also approved two rescissions totaling \$14,927,400, as requested, under the Public Safety and Justice and the Human Support Services appropriation titles. The rescission of \$227,400 under the Human Support Services appropriation title affects only the revenue sharing trust fund and therefore is not reflected in the totals shown in the various tables.

The estimates considered by the Committee were transmitted to the Congress in House Doc. 97-192, and will be financed entirely from local revenues which the District government expects to collect in excess of their original projections for fiscal year 1982 primarily in the sales and income tax areas.

The Home Rule Act (Public Law 93-198, sec. 442) requires the District government to have a balanced budget. The Committee has approved the city's request for budget authority on the basis that the District will collect additional revenues over and above those projected to support the regular fiscal year 1982 budget. In the event those revenues do not materialize, District officials are directed to take appropriate action to reduce budget authority levels so they do not exceed actual revenue collections. A further discussion of this subject appears on page 69 of this report under "Accumulated General Fund Deficit".

A comparative summary of the amounts requested and recommended follows:

SUMMARY OF COMMITTEE ACTION

Appropriation title	Requested	Recommended
Governmental direction and support.....	\$2,982,400	\$2,982,400
Economic development and regulation.....	4,603,800	4,603,800
Public safety and justice.....	2,601,500	2,601,500
Rescission.....	-14,700,000	-14,700,000
Public education system.....	7,768,900	7,768,900
Human support services.....	38,144,400	38,144,400
Trust fund rescission ¹	¹ -227,400	¹ -227,400
Environmental services and supply.....	368,900	368,900
Personal services.....	7,401,500	7,401,500
Total, operating expenses (net).....	49,171,400	49,171,400
Appropriations.....	63,871,400	63,871,400
Rescission.....	-14,700,000	14,700,000
Capital outlay.....	10,555,000	10,555,000
Washington Convention Center Enterprise Fund.....	774,000	774,000
Total, District of Columbia funds (net).....	60,500,400	60,500,400
Consisting of:		
Appropriations.....	75,200,400	75,200,400
Rescission.....	-14,700,000	-14,700,000

¹ Not reflected in totals.

REVENUE COLLECTIONS

A table showing the increases in revenues by categories which will be used to finance the Committee's recommendation follows:

REVENUE FINANCING THE GENERAL FUND APPROPRIATION

District of Columbia Government

[Dollars in thousands]

Current Authority	Estimates for 1982 appropriation	Changes in estimates	Estimates for 1982 revised appropriation
Revenue from local sources:			
Tax revenues (net of refunds):			
General property taxes:			
Real property taxes.....	\$289,480	+ \$3,020	\$292,500
Personal property taxes.....	26,600	+ 900	27,500
Total general property taxes.....	316,080	+ 3,920	320,000
General sales and use tax.....	243,026	+ 16,974	260,000
Selective sales and use taxes:			
Alcoholic beverage tax.....	7,965	+ 35	8,000
Cigarette tax.....	10,750	- 550	10,200
Insurance tax.....	15,808		15,808
Motor vehicle fuel tax.....	19,650	+ 1,350	21,000
Motor vehicle excise tax.....	10,500		10,500
Total selective sales and use taxes.....	64,673	+ 835	65,508
Public utility and financial institution taxes.....	81,300	+ 2,100	83,400
Income taxes:			
Individual income tax.....	310,919	+ 34,081	¹ 345,000
Corporation franchise tax.....	47,400	+ 2,600	50,000
Unincorporated business franchise tax.....	8,660	+ 3,340	12,000
Total income taxes.....	366,979	+ 40,021	407,000

REVENUE FINANCING THE GENERAL FUND APPROPRIATION—Continued

[Dollars in thousands]

	Estimates for 1982 appropriation	Changes in estimates	Estimates for 1982 revised appropriation
Current Authority			
Other taxes:			
Inheritance and estate taxes.....	11,500	+700	12,200
Deed recordation tax.....	14,500		14,500
Deed transfer tax.....	11,500	+1,500	13,000
Total other taxes.....	37,500	+2,200	39,700
Total tax revenue.....	1,109,558	+66,050	1,175,608
Nontax revenue:			
Business licenses and permits.....	13,000	+817	13,817
Non-business licenses and permits.....	16,588	-279	16,309
Charges for services.....	22,000	+1,433	23,433
Fines and forfeitures.....	24,563	-1,433	23,130
Other revenue.....	25,040	+4,820	29,860
Total non-tax revenue.....	101,191	+5,358	106,549
Total revenue from local sources, current authority.....	1,210,749	+71,408	1,282,157
Revenue from Federal sources:			
Federal payment.....	336,600		336,600
General revenue sharing.....	19,239	-227	19,012
Total revenue from Federal sources.....	355,839	-227	355,612
Total current authority revenue.....	1,566,588	+71,181	1,637,769
Pending authority.....	9,324	-7,524	² 1,800
Total revenue financing the general fund appropriation.....	1,575,912	+63,657	1,639,569

¹ Assumes financing for fiscal year 1982 of Bill 4-148.² Includes \$1,385 for Department of Transportation legislative fees and \$415 for parking meter fees.

REVISED FINANCIAL PLAN

The District's revised financial plan for the general fund, shown on pages 486-487 of part 4 of the supplemental hearings for 1982, presents the proposed expenditures and the means of financing those expenditures for fiscal year 1982. The plan is used both to show that the charter requirement for an appropriated budget balanced in accordance with generally accepted accounting procedures is met and to report to citizens, investors and others how resources will be raised.

The financial plan shows all general fund revenues including grants and other reimbursements along with the District's local source revenues. The Federal appropriation to the Retirement Fund is also presented with general fund transfers shown as non-add items.

The financial plan shows total revenues of \$1,639.6 million financing the general fund appropriation and total general fund expenditures estimated at \$1,639.6 million, including permanent authority for judgments. The fiscal year 1982 gross general fund budget shows estimated gross revenues of \$2,037.5 million equal to

estimated gross expenditures, including permanent authority for judgments.

COMMITTEE CONCERNS

ACCUMULATED GENERAL FUND DEFICIT

The Committee is concerned with the District government's accumulated general fund deficit and what appears to be a somewhat less than vigorous commitment to reduce the deficit through every possible means. The Committee is recommending approval of the supplemental request with the understanding that District officials will renew their efforts to reduce the deficit without relying on their pending proposal to sell deficit bonds. Although their plan to retire the accumulated deficit by purchasing bonds has been pending before the Congress for several months, the Committee directs District officials to develop an alternative plan by December 31, 1982, for eliminating the deficit.

District officials are reminded that the \$10 million appropriated in the regular bill for fiscal year 1982 is to be applied to reducing the *cash* portion of the general fund deficit. While adjustments to various programs may be difficult for many segments of the community, the alternative of continued deficit spending would be detrimental to the entire community as well as the District government in its relationship with the financial community. With the recently installed financial management system (FMS) there is no reason for District officials to continue to accept further deficits. While additional spending for worthy causes is commendable, responsible financial planning and execution as well as creditability on the part of District officials are necessary to maintain confidence in the District government.

District officials are to be commended for reducing the accumulated deficit from the reported \$388 million at the end of fiscal year 1980 to \$309 million as of September 30, 1981. And with the proper management tools now in place to alert officials of impending problems, the only additional requirement is the financial discipline necessary to chart a responsible and prudent course that will avoid further deficits in the conduct of the city's financial affairs so that the District's budget for fiscal year 1982 will be balanced with *actual* revenues collected equal to or exceeding obligations incurred.

BOARD OF ELECTIONS AND ETHICS

Committee's Concerns.—The Committee is concerned that the voting rights of District citizens are being jeopardized, not through malicious intent, but rather by the inadequate performance of the Board of Elections and Ethics in not following simple commonly recognized standards of computer systems management as well as basic general management procedures. The validity of this concern appears to be supported by recent reports from the General Accounting Office, the City Council's Committee on Government Operations, and the District of Columbia Auditor. Moreover, the Committee sees little evidence of the Board's full recognition of the nature and extent of its management, administrative, computer,

personnel, and contracting failures, all of which have contributed to its inadequate performance. Once again the Board seems to be "putting out fires" and taking the expedient way out, rather than eliminating the basic sources of its problems; in this instance they are asking the citizens of the District to spend \$100,000 attempting to put right the Board's failure to maintain accurate voter registration records.

On-line computer system.—According to the justifications supporting the fiscal year 1982 supplemental budget request, the Board intends, prior to the September primary, to use a portion of the supplemental request to convert its voter registration system to an on-line computer system package which was purchased in 1979. Both the GAO and the City Auditor have questioned the adequacy of the Board's evaluation of its requirements to support this purchase. In addition, the Committee has reviewed a copy of the 1979 contract and notes that:

The Board paid \$59,375 for the voter registration software package which consists of the basic computer programming.

The contractor agreed to support the first two elections after the contract award in a variety of ways including initial installation, training, conversion of existing computer files, and documentation related to voter registration.

The contract states that installation of the voter registration system would take more than 60 days, and that "total conversion will depend greatly on the speed and accuracy that the District of Columbia personnel can operate and understand the new system."

Apparently—now more than two elections after the contract was awarded—District personnel are still unable to "operate the new system" because it obviously is not yet installed. And even if the contractor now agrees not to charge for support services that should have been completed at least a year ago, the contract contains no criteria upon which to evaluate the contractor's performance. Obvious questions that come to mind are why was the installation not completed sooner; how will the Board know when the contractor has successfully completed his work, and how much more taxpayers will have to pay because of the delay. Overriding all of these concerns, is the following statement from GAO's recent report:

"Given the Board's poor performance in controlling a simple batch-oriented voter registration system, we question its ability to operate a more sophisticated on-line system which requires even stricter internal controls."

Intermittent hires.—In addition the Board plans to hire, on an intermittent basis, two or three systems professionals, and to acquire professional expertise through a contractual arrangement. The question which follows is what will happen when the intermittent and contracted professionals have left since it appears that the Board has no plans to strengthen or increase its permanent staff. Thus, questions remain as to whether the Board's plans can be viewed as comprehensive and well thought out.

Committee directive.—Accordingly, the Board should not consider any of its expedient efforts to assure an accurate voter registration system prior to the September 1982 primary election as final solu-

tions. Rather, the Committee directs that prior to January 1, 1983 the Board:

Prepare a comprehensive plan and time table for permanently assuring an accurate voter registration system for the District of Columbia. This plan should include a thorough requirements analysis, a design of clerical and computer procedures, a program for training new and existing personnel, the establishment of rigorous control and accountability procedures, a complete system validation process, and complete documentation. The Committee also recommends that the Board evaluate the performance and qualifications of its personnel, and review and strengthen its contracting procedures.

Present the plan and timetable to this Committee, the City Council, the District of Columbia Auditor, and the District of Columbia Inspector General.

GOVERNMENTAL DIRECTION AND SUPPORT

A total of \$2,982,400 in supplemental appropriations is recommended for five agencies under this appropriation title. A discussion of the amounts requested and recommended by agency follows:

Council of the District of Columbia.—The Committee recommends approval of the Council's request for \$40,000 for a 28-member Cable Television Design Commission which will be created by legislation (D.C. Bill 4-35) presently pending before the Council. The Commission will be responsible for all aspects of a cable television network in the District, including the development of standards and procedures, designing the specifications, and recommending to the Council those franchise applications that best serve District residents. Language is included in the bill making these funds available subject to enactment of D.C. Bill 4-35 or equivalent legislation.

Office of Personnel.—The request for \$1,314,600 to partially fund 100 positions previously financed with Federal funds is recommended by the Committee. The total personal services cost for these positions is \$2,079,603 of which \$765,017 is currently available.

Department of Finance and Revenue.—The total supplemental request of \$585,300 and 12 positions is recommended and includes \$227,100 for the rental of data entry equipment which, according to the justification material, will result in a 30 to 40 percent increase in productivity. The amount recommended by the Committee also includes \$50,000 which will be used to obtain financial and credit information, under a contractual arrangement, to improve revenue collection of delinquent taxes. In addition, \$106,300 is included for the purpose of developing a city-wide centralized debt collection system for delinquent accounts. The Committee has also restored \$201,900 and 12 positions eliminated, at the District government's request, from the regular fiscal year 1982 budget in anticipation of legislative changes which would have conformed the city's income and inheritance tax laws to Federal tax laws. That legislation has not been enacted.

Department of General Services.—The Committee recommends the additional amount of \$942,500 which includes an additional \$400,000 to complete the rehabilitation of the Lansburgh Building

for use as office space for District agencies. With this amount, a total of \$1,687,100 will be available in fiscal year 1982 for the operation and renovation of the building. The Committee also recommends approval of the increase of \$542,500 to cover the increased cost of electricity and steam due primarily to anticipated adjustments to base charges and surcharges by the local utility company. A total of \$4,800,500 will be available to cover electricity and steam costs during fiscal year 1982.

Board of Elections and Ethics.—The supplemental request for \$100,000 to complete the update and correction of the manual and automated voter registration files is recommended. Included in this amount is \$60,000 for temporary clerical and professional personnel to validate the manual files and assist with new or changed registrations. The temporary professional ADP personnel will assist the current staff in updating the automated registration files and completing the full conversion to the agency's on-line voter registration system. An increase of \$30,000 has been approved for the use of commercial equipment and professional expertise which will be acquired by contract for the ADP operations, and an additional \$10,000 will be used to cover postage costs necessary to obtain voter validation of file data. A discussion of the Board's efforts at voter registration is on pages 69-71 of this report.

ECONOMIC DEVELOPMENT AND REGULATION

The Committee recommends a total of \$4,603,800 in supplemental appropriations for two agencies under this appropriation title. A discussion of the amounts requested and recommended by agency follows:

Department of Housing and Community Development.—The additional sum of \$4,443,800, as requested, is recommended for this Department. Of this amount, \$3,495,800 will be used to offset increased costs associated with the operation of the District government's low-rent housing program which totals \$35.7 million. The balance of \$948,000 will be used to correct dangerous health and safety conditions in privately-owned buildings pursuant to D.C. Code 5-313. These conditions will be corrected by the District government and the cost added to the property owner's tax bill. Violations in approximately 4,000 units will be corrected with these funds.

Department of Licenses, Investigations and Inspections.—The supplemental request of \$160,000 and 16 temporary positions is recommended to reduce the Department's backlog in issuing certificates of occupancy. The issuing of a certificate of occupancy is a regulatory requirement which ensures that health and safety standards for all building structures and business activities in the District of Columbia are met, and District officials have stated that failure to eliminate the backlog will result in delays in a number of other vital regulatory and revenue producing activities of the District government.

PUBLIC SAFETY AND JUSTICE

A total of \$2,601,500 in supplemental appropriations as well as language relating to the limitation on the amount available for the

prevention and detection of crime are recommended for agencies under this appropriation title. The Committee also recommends the requested rescission of \$14,700,000 under the Police and Fire Retirement System. A discussion of these items follows:

Metropolitan Police Department.—The Committee has approved language, on a one time basis for fiscal year 1982 only, increasing the limitation on the amount available to the Chief of Police for the prevention and detection of crime from the current level of \$200,000 as provided in the regular fiscal year 1982 appropriations bill to \$300,000. The additional \$100,000 is required to enable the department to continue its intensive program to combat illegal traffic in narcotics, and is available for this purpose due to a higher-than-expected lapse rate for civilian personnel in the Metropolitan Police Department.

Superior Court.—The Committee recommends \$12,000 in supplemental funding to provide start-up costs to purchase furniture and equipment for the volunteer attorneys program. This program will provide legal representation to parents in cases of alleged neglect and abuse of children or where termination of the parent-child relationship is under consideration. Such representation was provided pro bono as a prerequisite to attorneys' being assigned Criminal Justice Act delinquency cases.

D.C. Court System.—The Committee recommends an additional \$458,500 for the Criminal Justice Act Program (Public Law 93-412) which authorizes representation for persons financially unable to obtain adequate legal representation. With the amount recommended in this Act, a total of \$4,099,900 will be available in fiscal year 1982 to pay court appointed private counsel.

Department of Corrections.—The Committee recommends the requested supplemental of \$2,131,000 and 90 temporary positions for three programs. The sum of \$363,000 and 90 temporary positions are recommended to comply with the terms of a settlement agreement in a civil action requiring an increase in correctional staff and the provision of psychiatric care through the use of contractual services. An additional \$95,800 is recommended to cover the cost of direct care items such as food, medical supplies, clothing, linens and blankets for an unexpected increase in the inmate population. An additional \$1,672,200, which represents the major part of the supplemental for this Department, is for payment to the Federal Bureau of Prisons for D.C. Code violators incarcerated in Federal institutions. These additional funds are required to cover the cost of an additional 107 inmates above the 933 anticipated at the time the regular budget for 1982 was approved. With the approval of this supplemental, a total of \$16,590,300 will be available for payment to the Federal Bureau of Prisons.

Police and Fire Retirement System.—The Committee has approved a rescission of \$14,700,000 which was appropriated in the regular fiscal year 1982 bill for the Police and Fire Retirement System. The rescission reflects an accounting adjustment recommended by the city's financial auditors whereby contributions from the Federal police forces which participate in the District's police and fire retirement program are deposited directly into the Police and Fire Retirement Fund and disbursed accordingly rather than

deposited into the general fund and appropriated to the Police and Fire Retirement Fund for disbursement.

PUBLIC EDUCATION SYSTEM

A total of \$7,768,900 in supplemental appropriations is recommended for two agencies under this appropriation title. A discussion of the amounts requested and recommended by agency follows:

Board of Education (Public Schools).—The Committee recommends an additional \$7,574,900, as requested, to supplement the \$264,284,300 provided to the public school system in the regular bill for 1982. Included in the Committee's recommendation is \$3,765,100 for wage and benefit settlements for the Board's union employees, as well as \$2,345,900 to make up the difference between actual and estimated salaries and benefits based on current payroll data. The sum of \$356,800 for severance pay costs is recommended to cover the costs of a reduction in force which affected 51 former employees who could not be assigned to other positions. The Committee also recommends approval of \$400,000 for salary promotions for approximately 600 employees who have acquired a higher degree of education. In addition the Board's request for \$707,100 to absorb Federal grant reductions is recommended to cover funding for 56 former Federal grant employees carried on the regular rolls for 6 months pending the establishment of RIF proceedings caused by grant reductions. Although 138 employees were affected by grant reductions this year, 82 were placed into existing vacant positions in the school system.

Public Library.—A total of \$194,000 in supplemental appropriations is recommended for energy and maintenance costs. The sum of \$69,000 is included to cover increases in the costs of electricity, gas and heating oil and, when added to the amount currently available, will provide a total of \$1,198,100 for energy costs throughout the library system in fiscal year 1982. The request for an additional \$125,000 is included for maintenance and repairs to library buildings. The base of \$100,000 included \$55,000 for contractual services for elevator and air conditioning maintenance at two libraries and left only \$45,000 for physical maintenance of all library facilities.

HUMAN SUPPORT SERVICES

The Committee recommends a total of \$38,144,400 in supplemental appropriations for five agencies under this appropriation title. The Committee has also approved a rescission of \$227,400, as requested, in the District's revenue sharing trust fund. The rescission is due to a reduction in the District's revenue sharing allocation for fiscal year 1982. A discussion of these items follows:

Unemployment Compensation.—The supplemental request of \$2,123,000 is recommended to pay benefits to an estimated 4,250 claimants for an additional five weeks and to cover costs for an additional 150 claimants. The revised projections are based on current economic conditions which, according to District officials indicate longer periods of unemployment and more claimants on the rolls. With this supplemental, a total of \$10,600,000 will be available in fiscal year 1982 for this program which is limited to former

employees of the District of Columbia government who meet eligibility requirements.

Department of Employment Services.—The Committee recommends the requested supplemental of \$2,481,400 and eleven temporary positions for five areas within the Department. The sum of \$1,367,000 is recommended for replacement of the unemployment insurance computer system. The replacement system is designed to ensure compatability with automated unemployment systems in neighboring states as well as with the Welfare Payment System, enabling the Department to identify potential fraud, abuse and administrative errors so that appropriate adjustments can be made. The Department's request for \$700,000 to retain personnel previously paid from Federal grants which are no longer available has also been approved along with the request for \$234,600 and seven temporary positions for incumbent personnel now performing appropriated functions but paid from Federal grants which are scheduled to expire. The sum of \$43,600 and two temporary positions have been approved for establishing and operating the Employee Compensation Appeals Board which will hear and make final administrative decisions on appeals made by employees. Appropriated funds in the amount of \$36,200 for two temporary positions and related costs previously funded with Federal grants which are no longer available are recommended for the District's Apprenticeship Program. In addition, \$100,000 is recommended to support local youth job placement workshops which provide job getting and job keeping skills necessary for successfully finding and securing permanent and stable employment in the private sector.

Department of Recreation.—The Committee recommends the request for \$290,000 which includes \$115,000 to correct serious structural problems and make needed renovations at four facilities; \$88,000 to improve the safety and appearance of structures and equipment such as sandboxes and basketball backboards at various department facilities; \$70,000 to provide additional day camp opportunities for 1,350 youngsters; and \$17,000 to provide expanded day camp opportunities to 150 handicapped youngsters, including the mentally retarded.

Department of Human Services.—The Committee recommends the full supplemental request of \$31,250,000 of which \$25,492,000 is to meet increased Medicaid vendor payments caused by inflation and increased use of the program by District residents. More than \$16.5 million of this amount is attributable to increased use above the fiscal year 1981 level with the balance of \$8,992,000 to cover the effects of inflation on the District's \$200 million Medicaid program.

The Committee has also approved the requested increase of \$4,078,400 to replace the loss of Federal grants and to fund unanticipated overtime costs and a higher than anticipated employment level in the Department. Of this amount \$2,092,200 will fund residential services at Forest Haven, the city's facility for the mentally retarded and developmentally disabled. In addition, the Committee has approved an increase of \$1,404,600 for moving Forest Haven residents into a community living arrangement and providing day programs to prepare those residents for the transition. District officials expect to transfer 100 residents to community based facilities

in 1982. The supplemental request for \$200,000 is recommended for the Long-Term Care Administration's Personal Care Aide Program which provides in-home personal care services to clients as an alternative to institutionalization. The demand for such services in 1982 has exceeded estimates by 23 percent. The Committee has also approved the request for \$75,000 to expand urine analysis testing in response to what District officials term as a drug epidemic in the city. The objective of the program is to identify people with drug related problems so they can receive proper treatment.

Complementary Energy Assistance Program.—The supplemental request for \$2 million is recommended to establish a locally-funded program to assist those individuals whose benefits under the Aid to Families with Dependent Children (AFDC) program would be terminated or reduced from the December 1981 benefit levels by new Federal regulations regarding earned income. The District's program is authorized under D.C. Law 4-132 and will provide assistance in the form of cash payments directly to eligible recipients with household energy and utility costs. District officials have stated that this program is designed not to duplicate any payments from other public assistance programs. Of the \$2 million, \$131,100 is for administrative costs.

ENVIRONMENTAL SERVICES AND SUPPLY

Department of Environmental Services.—The supplemental request for \$368,900 and 30 temporary positions caused by a six month delay in the Supercan solid waste collection program is recommended. The Department's fiscal year 1982 budget was based on earlier completion dates of the Supercan program which would have allowed a reduction in collection personnel. Although the Supercan program was completed in March 1982, the delay resulted in the need to retain these individuals on the rolls for an additional six months for the twice weekly collection program and, therefore, the reduction in personnel will not be completed until fiscal year 1983.

PERSONAL SERVICES

The Committee recommends the supplemental request of \$7,401,500 for pay raise costs resulting from labor contract negotiations with the District's various collective bargaining units, excluding public school employees who are covered under the "Public Education System" discussed earlier in the report.

This additional amount will cover the cost of the two percent bonuses awarded to nonunion employees, the 3.5 percent bonuses awarded to union employees and the costs related to partial year coverage of optical and dental benefits for union employees, uniformed police officers and firefighters. The Committee has included language in the bill which earmarks \$2,590,300 in Personal Services funds for the Metropolitan Police Department.

CAPITAL IMPROVEMENTS

An additional \$10,555,000 is recommended for modernization of the Eastern Senior High School which is expected to cost a total of

\$21,555,000. The initial appropriation of \$11 million was included in the regular bill for fiscal year 1979. The increase recommended by the Committee includes \$1.3 million to meet the effects of inflation associated with the original scope of work and \$9,255,000 is required to provide additional construction needs agreed upon by District officials and the community.

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

The Committee has approved the supplemental request of \$774,000 to cover a slight increase in demolition costs and additional estimated expenditures associated with permanently relocating businesses and families from the Convention Center site. This appropriation will be financed with revenues allocated from the hotel occupancy tax and the surtax on corporation and unincorporated business franchise taxes.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
CHAPTER IV				
DISTRICT OF COLUMBIA				
DISTRICT OF COLUMBIA FUNDS				
97-192	Governmental direction and support.....	(2,982,400)	(2,982,400)	---
97-192	Economic development and regulation.....	(4,603,800)	(4,603,800)	---
97-192	Public safety and justice.....	(2,601,500)	(2,601,500)	---
	(Rescission).....	(-14,700,000)	(-14,700,000)	---
97-192	Public education system.....	(7,768,900)	(7,768,900)	---
97-192	Human support services.....	(38,144,400)	(38,144,400)	---
97-192	(Trust fund rescission) 1/.....	(-227,400)	(-227,400)	---
97-192	Environmental services and supply.....	(368,900)	(368,900)	---
97-192	Personal services.....	(7,401,500)	(7,401,500)	---
	Total, operating expenses (net).....	(49,171,400)	(49,171,400)	---
	Appropriations.....	(63,871,400)	(63,871,400)	---
	Rescission.....	(-14,700,000)	(-14,700,000)	---
		=====	=====	=====
97-192	Capital outlay.....	10,555,000	10,555,000	---
97-192	Washington Convention Center Enterprise Fund.....	(774,000)	(774,000)	---
		=====	=====	=====
	Total, Chapter IV:			
	District of Columbia funds (net).....	(60,500,400)	(60,500,400)	---
	Appropriations.....	(60,500,400)	(60,500,400)	---
	Rescission.....	(-14,700,000)	(-14,700,000)	---

1/ Not reflected in totals.

CHAPTER V

SUBCOMMITTEE ON ENERGY AND WATER DEVELOPMENT

TOM BEVILL, Alabama, *Chairman*

EDWARD P. BOLAND, Massachusetts
LINDY (Mrs. Hale) BOGGS, Louisiana
BILL CHAPPELL, Florida
VIC FAZIO, California
WES WATKINS, Oklahoma
ADAM BENJAMIN, JR., Indiana

JOHN T. MYERS, Indiana
CLAIR W. BURGNER, California
VIRGINIA SMITH, Nebraska
ELDON RUDD, Arizona

ENERGY AND WATER DEVELOPMENT

The Committee considered supplemental requests totaling \$122,744,000, \$22,000,000 of which was to be derived by transfer. The accompanying bill recommends supplementals of \$141,700,000, \$14,000,000 by transfer. These recommendations are summarized in the following table:

SUMMARY OF COMMITTEE ACTIONS

	Proposed	Recommended	Change
Budget authority:			
Fiscal year 1982 appropriations affected.....	\$7,920,020,000	\$7,920,020,000	
Supplementals.....	122,744,000	141,700,000	+\$18,956,000
Total.....	8,042,764,000	8,061,720,000	+18,956,000

The Committee is in full agreement with the objective of reducing unnecessary and low priority Federal expenditures. The approach taken in considering the supplemental request makes provision for only the most urgent national defense, energy and natural resource development priorities in fiscal year 1982. Detailed explanation of Committee recommendations follow, including an account table summarizing these recommendations at the end of this chapter.

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

The bill includes a total of \$35 million for pay costs of the Corps of Engineers. The total cost of Corps pay increases is \$44 million, of which the Corps is absorbing \$9 million. The Committee has provided new funds to meet the increased pay costs rather than transferring funds from the construction account as proposed in the budget. Because of the large budget reductions imposed last year, the Committee believes the level of funding for construction proj-

ects should not be reduced further. Additional reductions will have an adverse impact on project completion dates resulting in higher costs and delaying project benefits.

The construction of the Mississippi River nine-foot channel navigation project has resulted in seepage damage to some of the surrounding lands. Over the years, the Corps of Engineers has investigated the problem and recommended a number of alternative solutions including land acquisition, remedial work and lump sum payments to affected local interests. In 1958, pursuant to a recommendation of the Chief of Engineers, the Congress authorized lump sum payments to 17 local drainage districts affected; but settlement with the Sny Island Drainage District was deferred pending the outcome of further study of the effect on the seepage problem of a nearby flood control project, not then completed. The restudy has shown that seepage damage remains a problem and that the alternative solution preferred by the affected local interests and recommended by the District Engineer is a lump sum payment based on the estimated first cost of the most cost-effective alternative plan. The District Engineer's restudy report on the problem, dated May 1979, shows the estimated cost of this alternative as \$1,704,000. Adjusting for inflation results in a current estimate of \$2,420,000. The Committee recommends proceeding with a lump sum payment pursuant to an agreement satisfactory to all interests, and has included language in the Bill to allow for resolution of the problem.

The Committee has been informed that certain Corps of Engineers powerplant operational personnel are paid less than personnel of other agencies doing comparable jobs in nearby locations. The Committee believes that all Federal employees should receive comparable compensation for performing comparable work. Therefore, the Committee has included a provision in the Bill that would remove the inequity.

The Committee has no objection to the Corps proposal to repair and overhaul the dredge *McFarland* inasmuch as the *McFarland* is one of the Corps' more modern hopper dredges, has a number of unique features, such as direct pumpout and sidecasting capabilities crucial to our national defense and emergency missions.

The Committee, in permitting the repair of the *McFarland*, does not prejudice the configuration of the Corps' minimum hopper dredge fleet. The Committee expects the Administration to submit its minimum fleet recommendations and the Corps of Engineers Reserve Fleet proposal to Congress by August 1, 1982.

Within available funds, the Corps of Engineers is directed to use \$450,000 to update and expand its 1977 economic analysis of the Cross-Florida Barge Canal project. None of the costs of the study should be borne by non-Federal interests.

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

The Committee understands that during the repair of the slide at San Luis Dam, Central Valley Project, exploration has identified additional areas where potential displacement of slopewash materi-

al could occur. Repair work in these areas should begin during early fall when the water levels in the reservoir are low thus allowing completion prior to the 1983 irrigation season. To accomplish the necessary repairs the Committee agrees that the Secretary of the Interior may reprogram unobligated funds available from slippage on other construction projects.

DEPARTMENT OF ENERGY

OPERATING EXPENSES

ATOMIC ENERGY DEFENSE ACTIVITIES

1982 Appropriations to date.....	\$3,606,351,000
Program supplemental (requested).....	59,400,000
Committee recommendation.....	57,000,000

The fiscal year 1982 supplemental appropriation of \$59,400,000 was requested following the March 1982 decisions by the President on the fiscal year 1983-87 Nuclear Weapons Stockpile Memorandum (NWSM). This Memorandum provides annual production and planning guidance as required by the Atomic Energy Act of 1954, as amended.

A summary of the supplemental request and the committee recommendation is as follows:

	Presently available	Supplemental request	Committee recommendation
Weapons activities:			
Research and development.....	\$576,900,000	\$10,000,000	\$8,000,000
Testing.....	357,400,000	5,000,000	4,000,000
Production and Surveillance.....	1,271,706,000	8,500,000	2,000,000
Verification and control: Technology.....	47,100,000	2,000,000	2,000,000
Materials production:			
Reactor operations.....	275,030,000	15,700,000	9,800,000
Processing of nuclear materials.....	148,650,000	4,400,000	4,400,000
Special isotopes separations.....	28,200,000		11,000,000
Supporting services.....	145,650,000	11,800,000	10,800,000
Defense nuclear waste:			
Interim waste operations.....	171,084,000	2,000,000	2,000,000
Beneficial uses-by product materials.....	2,500,000		3,000,000
All other programs.....	582,131,000		
Total.....	3,606,351,000	59,400,000	57,000,000

WEAPONS ACTIVITIES

Research, Development and Testing.—The supplemental request includes \$15,000,000 to maintain laboratory and test site contractor employment at the fiscal year 1981 year-end level of 6,650 full-time employees. The Department's justification was that without the additional funds, reductions of 100-200 full-time employees would be required to offset the reallocation of fixed overhead costs resulting from programmatic reductions in energy-related programs at the laboratories, and for other reasons. The Committee recommendation of \$12,000,000 for these activities should be adequate to main-

tain the fiscal year 1981 end strength levels, based on more recent estimates of the actual funding shortfall.

Production and Surveillance.—The supplemental request includes \$8,500,000 to maintain a revised delivery schedule for one of strategic systems in the March 1982 NWSM. The Committee recommendation provides \$2,000,000 for this system based on a more recent assessment of 1982 funding requirements as well as considerations of system priorities for scarce resources within the production complex in future years.

VERIFICATION AND CONTROL TECHNOLOGY

Verification and Control Technology.—The supplemental request includes \$2,000,000 to maintain schedules for production of certain special instrumentation needed for a DOD satellite series. The Committee recommendation is the same as the request.

MATERIALS PRODUCTION

Reactor Operations.—The supplemental request includes \$15,700,000 for additional reactor operations to help meet revised estimates of out-year requirements for special nuclear materials associated with the March 1982 NWSM. The Committee recommendation includes \$9,800,000 which provides for increased operations of the Savannah River reactors in 1982, and the continued conversion of "N" reactor to weapons-grade Pu-240 plutonium. Funding of \$2,400,000 to initiate the Mark 15 program and \$3,500,000 to initiate the "N" reactor 5 percent and higher power programs has been deferred. The Committee's concerns include:

Uncertainties relating to demand projections, particularly as they relate to future production decisions.

The costs and benefits of the Mark 15 and "N" reactor 5 percent options in relation to other alternatives.

The impact of higher power levels on "N" reactor lifetime. These matters will be reviewed further in connection with the Committee's consideration of the fiscal year 1983 bill.

Processing of Nuclear Materials.—The supplemental request includes \$4,400,000 for additional processing of special nuclear materials. The Committee recommendation is the same as the request.

Special Isotopes Separations.—The Committee recommendation includes \$11,000,000 for the special isotopes separation program. This will provide \$9,500,000 for the technology demonstration module at LLNL, allowing the laboratory to build upon its highly successful laboratory demonstration earlier this year, and permitting the technology demonstration project to proceed 3 to 6 months earlier than previously thought possible. The recommendation includes \$1,500,000 to maintain development schedules for alternative technologies at LANL. The Committee notes that the SIS technology demonstration program has been given high priority by the Department and cognizant Congressional committees because of its significant potential for providing flexible and economical program options to meet weapons program needs in the mid-1980's and beyond.

Supporting Services.—The supplemental request includes \$11,800,000 in supporting services. The Committee recommendation

provides \$10,800,000 and defers consideration of \$1,000,000 related to the "N" reactor 5 percent option to fiscal year 1983.

DEFENSE NUCLEAR WASTE

Interim Waste Operations.—The supplemental request includes \$2,000,000 to provide for additional high-level waste concentration efforts to insure adequate space in double shell tankage for Purex operations. The Committee recommendation is the same as the request.

Beneficial Uses—By Product Materials.—The Committee recommendation includes \$3,000,000 to permit the Department to proceed with a cooperatively supported project to demonstrate the beneficial uses of by product material with the City of Albuquerque, New Mexico. This project currently is being delayed by the lack of fiscal year 1982 funding. The potential for useful application of by product material is such as to fully warrant proceeding with this project without further delay.

DEPARTMENTAL ADMINISTRATION

The Committee considers it appropriate that within available funds the Department should provide such local office space, administrative support and transportation expenses as are necessary to insure continued access to the unique knowledge and expertise of the former Director of the Naval Nuclear Propulsion Program for such advice and assistance as he may be called upon to provide to the Departments of Energy and Navy, or to other Government organizations involved in the development and application of nuclear energy for civilian and military uses, and for the purpose of completing his records and affairs as head of the Program over the past 34 years.

PLANT AND CAPITAL EQUIPMENT

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

1982 appropriations to date	\$332,200,000
Program supplemental recommended	¹ 14,000,000

¹ To be derived by transfer from the Geothermal Resources Development Fund.

The Committee recommendation reflects an increase in funds, derived by transfer, for completion of the binary cycle 50 MWe demonstration geothermal plant, project 80-G-2. To date, \$19,000,000 has been appropriated for this project which is being cost-shared with the local public utility, the Electric Power Research Institute (EPRI) and other industry participants. After five years of design and development, the project is at a point where additional funding will assure construction and completion in a timely manner. The funds made available in this act, along with currently available funds, are intended to complete Federal participation in this project. The agreement with the utility partner assumes that part of the Federal investment will be repaid from revenues derived from operation of the plant.

Funding for this project is to be derived from the Geothermal Resources Development Fund. Currently there is \$22,000,000 available

in this fund, designated for interest assistance. The proposed transfer of funds will not affect outstanding loan guarantees or the ability to meet interest assistance payments.

ATOMIC ENERGY DEFENSE ACTIVITIES

1982 Appropriations to date.....	\$1,066,803,000
Program supplemental (requested).....	38,000,000
Committee recommendation.....	35,700,000

A summary of the supplemental request and the Committee recommendation is as follows:

	Presently available	Supplemental request	Committee recommendation
Weapons activities:			
Production and Surveillance: Project 82-D-109, 155mm artillery fired atomic projectile, various locations.....	\$15,000,000	\$7,500,000	\$7,500,000
Project 81-D-115, MX warhead production facilities.....	14,100,000	20,900,000	20,900,000
Nuclear Materials Production: Capital equipment.....	63,000,000	4,600,000	2,300,000
Defense Nuclear Waste: Project 77-13-f, waste isolation pilot plant, NM.....	118,000,000	5,000,000	5,000,000
Total.....		38,000,000	35,700,000

WEAPONS ACTIVITIES

Production and Surveillance.—The supplemental request includes \$28,400,000 for construction projects 82-D-109, 155mm Artillery Fired Atomic Projectile, various locations and 81-D-115, MX Warhead production facilities. The Committee recommendation is the same as the request.

In its actions on the regular 1982 appropriation bill, P.L. 97-88, the Committee on Appropriations recommended a funding level of \$15,000,000 for project 82-D-109 in lieu of \$35,000,000 requested. This reduction was based on the status of warhead development and then unresolved problems in the Department of the Army portion of the design which strongly indicated that the proposed IOC date was unrealistic. These problems appear to have been resolved and a new more realistic IOC date has been established. The \$7,500,000 replaces funds reprogrammed in April 1982 from project 79-7-0, with the Committee's agreement, to support facility construction to meet the revised IOC date.

In P.L. 97-88, the Committee provided \$9,100,000 funding for Project 81-D-115, MX Warhead production facilities in lieu of \$60,000,000 requested. This action reflected the Committee's concerns in committing funds for warhead production before selection of the production design, as well as program uncertainties related to the basing mode. While uncertainties remain as to the basing mode, the warhead design selection was made on January 29, 1982, and an IOC date established compatible with missile development. These decisions permitted the Department to rescope the project from a total estimated cost of \$165,000,000 to \$125,000,000 and reduce fiscal year 1982 requirements from \$60,000,000 to \$30,000,000.

MATERIALS PRODUCTION

Capital Equipment.—The supplemental request includes \$4,600,000 for additional capital equipment related to materials production. The Committee recommendation provides \$2,300,000, deferring action on \$2,300,000 related to the Mark 15 fuel charge and the 5 percent "N" reactor option for consideration in the fiscal year 1983 appropriation bill.

DEFENSE NUCLEAR WASTE

Long-Term Waste Management Technology.—The supplemental request includes \$5,000,000 for Project 77-13-f, Waste Isolation Pilot Plant, southeastern New Mexico, to provide funds for a settlement of a lease acquisition necessary for protection of site integrity. The recommendation is the same as the request.

INDEPENDENT AGENCIES

NUCLEAR REGULATORY COMMISSION

The NRC requested an additional \$3,344,000 for increased pay costs in fiscal year 1982. Later estimates indicate that the NRC pay costs can be offset with funds available for fiscal year 1982 without any personnel impact.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued**

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
	CHAPTER V			
	DEPARTMENT OF ENERGY			
	Operating Expenses			
97-162	Atomic Energy Defense Activities.....	59,400,000	57,000,000	-2,400,000
	Plant and Capital Equipment			
	Energy Supply, Research and Development Activities (by transfer).....	---	(14,000,000)	(+14,000,000)
	Atomic Energy Defense Activities.....	38,000,000	35,700,000	-2,300,000
97-162		=====	=====	=====
	Total, Chapter V:	97,400,000	92,700,000	-4,700,000
	New budget (obligational) authority.....	---	(14,000,000)	(+14,000,000)
	(By transfer).....	---		

CHAPTER VI

SUBCOMMITTEE ON FOREIGN OPERATIONS AND RELATED AGENCIES

CLARENCE D. LONG, Maryland, *Chairman*

DAVID R. OBEY, Wisconsin
SIDNEY R. YATES, Illinois
MATTHEW F. McHUGH, New York
WILLIAM LEHMAN, Florida
CHARLES WILSON, Texas
JULIAN C. DIXON, California
WILLIAM H. GRAY, III, Pennsylvania

JACK F. KEMP, New York
MICKEY EDWARDS, Oklahoma
ROBERT L. LIVINGSTON, Louisiana
JERRY LEWIS, California
JOHN E. PORTER, Illinois

BI-LATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

The Committee recommends an appropriation of the amount requested, \$1,031,000. These payments are required by law to cover the unfunded liability of the retirement and disability fund of the Agency for International Development's foreign service employees.

OVERSEAS TRAINING AND SPECIAL DEVELOPMENT ACTIVITIES

(FOREIGN CURRENCY PROGRAM)

The Committee recommends the requested amount \$920,000, in excess foreign currencies, in this case Indian rupees. These funds will be used for the training of students from Nepal in various institutions in India, primarily in health care.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

The Committee is recommending language in the bill which accompanies this report that will correct a technical problem in regard to a previously funded program for resettlement services and facilities for refugees and displaced persons in Africa. The problem exists because of an incorrect interpretation of the fiscal year 1982 Foreign Assistance Appropriations Act and the Continuing Resolution by the Department of State.

The language recommended by the Committee will clarify once and for all that the funds which were provided in the fiscal year 1982 Act are to be used as intended for African refugees. The Committee urges that the Department of State move as rapidly as possible to implement this program.

REFUGEE PROJECT

The Committee recommends that the Department of State support the initiative suggested in testimony before this Committee to carry out a pilot project to resettle refugees in Latin America through the cooperation of various nongovernmental agencies with the Organization of American States and the pilot study of the causes of migration within the Hemisphere which result in a constantly increasing number of refugees coming to our shores. The Committee expects a report on this matter one month following enactment of the bill accompanying this report.

EMERGENCY ASSISTANCE TO LEBANON

The Committee is providing \$50,000,000 for emergency relief, rehabilitation and reconstruction assistance in Lebanon. This is being done by transferring unneeded funds in the Migration and Refugee Account to the Agency for International Development.

In addition to these funds, there is also \$15,000,000 available from existing funds which is currently being used for emergency humanitarian assistance.

The Committee directs that the Agency for International Development (AID) utilize sufficient amounts of these total funds for the American University of Beirut and the American University Hospital in Beirut and suggests that a proper figure will be around \$6.5 million.

The Committee expects that AID will keep it fully informed in regard to any long range rehabilitation and reconstruction program.

CARIBBEAN BASIN INITIATIVE

The Committee is deferring without prejudice the Administration request for the Caribbean Basin Initiative. It is anticipated that an amendment will be offered to add these funds when the bill is brought before the Floor.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

The Committee is recommending that no funds be provided for the various Administration requests for military assistance.

In total the Administration is requesting \$301,500,000 with \$115,500,000 in new budget authority and \$186,000,000 in an increased limitation for guaranteed loans.

NO CASE MADE FOR REQUESTED FUNDS

The Committee is recommending its denial of funds based on several factors. The most important factor is that the Administration has simply not made a case for these funds.

During testimony taken in hearings it became clear that the Administration was requesting exactly the difference between what was appropriated in the fiscal year 1982 Foreign Assistance Appropriations Act and what was authorized. Francis J. West, Assistance

Secretary of Defense for International Security Affairs stated during the hearings:

I will dispense with any off-the-cuff remarks except to note that the supplemental military request for \$301 million is the difference between what Congress authorized and what it appropriated in the fiscal year 1982 bill.

In further testimony it was stated:

The request for the security assistance supplemental is based on the needs that were fully laid out . . . when we presented the fiscal year 1982 budget request early last year. Our request in no way is designed to meet any new commitments made since the preparation of the fiscal year 1982 budget.

Thus, the testimony makes clear that there are no new additional needs or requirements that are being addressed. The request simply covers what the Administration did not receive in the fiscal year 1982 budget process.

REQUESTS JEOPARDIZE FUTURE FOREIGN ASSISTANCE BILLS

Members from both sides of the aisle have expressed concern over the request for military assistance because of the very delicate and difficult compromise that was reached in regard to the fiscal year 1982 Foreign Assistance Appropriations Act. The Committee believes that Act was passed only because of the compromise that was reached over the balance of funds between military and development assistance. For the Administration now to come before the Committee and request exactly what was not appropriated last year without any new developments or requirements places in jeopardy the ability of the Committee to work out any future compromises.

EARLIER FUNDS NOT UTILIZED

The belief that a strong case had not been made by the Administration was strongly reinforced when the Committee discovered that very few of the funds which had been provided in the fiscal year 1982 Act had been obligated or expended for the countries for which new funds were being requested.

In fact at the time of markup none of the fiscal year 1982 funds had even been obligated for Thailand, Portugal, Spain, Honduras, Somalia, or Sudan. And these are the countries that, according to Administration witnesses, have some of the highest needs and priorities for additional military assistance.

NO INCREASE FOR FOREIGN ASSISTANCE WHEN DOMESTIC CUTS ARE BEING MADE

The Committee also based its denial of funds for additional military assistance on its concern about domestic budget cuts that are taking place. At a time when economic conditions in the United States require reductions in domestic spending, the Committee did not believe additions for non-urgent foreign military assistance could be made.

CONCERN ABOUT ADMINISTRATION RESPONSES

The Committee is concerned about the inability of the State Department to provide timely and meaningful answers to Congressional queries. The ability of Members to evaluate Administration appropriations' requests becomes far less effective when only incomplete information is available. Particular problems have been encountered regarding questions on the issues of Cyprus and the involvement of Communist nations in the World Bank and International Monetary Fund.

REGIONAL FUNDING IN THE MIDDLE EAST

The Committee notes that after five years of existence of the Regional Fund one of the most successful projects is the Cooperative Marine Technology Program for the Middle East. This project and others like it offer great potential for increasing cooperation between Israel and Egypt. The Committee strongly urges the Agency for International Development to continue its support of that program and to provide whatever assistance is necessary for that program to meet its goals, provided that progress continues to be satisfactory.

AID HEALTH PROJECT

The Committee recognizes real progress made by the largest primary health care project in West/Central Africa, Strengthening Health Delivery Systems (SHDS). An Agency for International Development sponsored evaluation recently found "SHDS performed good to excellent work on achieving project goals . . . and should be continued" with "some modification for the next phase." AID itself recommends continuation of SHDS activities in "strengthening nursing institutions, village health worker programs, disease surveillance and data collection, and planning and management of national health care programs." The importance of the current contractor's role is also recognized by AID: "SHDS has made a good start in these areas, developed an impressive amount of expertise on health systems of African countries and established good working relationships with health personnel and public officials." The Committee recommends that this project be continued and urges the agency to amend the current contract prior to December 31, 1982 to accomplish existing and related project objectives, including more attention to individual country activity. The Committee expects a report on this matter one month following enactment of the bill accompanying this report.

CONCERN ABOUT PROPER COMPENSATION TO U.S. COMPANIES

The Committee is troubled by the continued failure of the Government of Honduras to pay a judgment award by the Inter-American Commission of Commercial Arbitration to a Chicago company, Construction Aggregates Corporation, for work performed for an agency of the Honduran Government, Empresa Nacional Portuaria. Unless there is prompt action by Honduras in settling the judgment and ending other legal action related to this case, the Committee will seriously consider acting to deny future funds for Honduran participation in U.S. assistance programs by invoking the Hickenlooper Amendment.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
	CHAPTER VI			
	BILATERAL ECONOMIC ASSISTANCE			
	Funds Appropriated to the President			
	Agency for International Development			
	Payment to the Foreign Service Retirement and Disability Fund.....	1,031,000	1,031,000	---
97-125	Overseas training (foreign currency program).....	(920,000)	(920,000)	---
97-198				
97-211	International disaster assistance.....	50,000,000	---	-50,000,000
---	Lebanon emergency relief (by transfer).....	---	(50,000,000)	(+50,000,000)
	Total, Agency for International Development.....	51,031,000	1,031,000	-50,000,000
		=====	=====	=====

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued**

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
MILITARY ASSISTANCE				
Funds Appropriated to the President				
97-168	Military assistance.....	61,988,000	---	-61,988,000
97-168	International military education and training.....	3,512,000	---	-3,512,000
	Foreign military credit sales:			
97-168	Direct credits and forgiven loans.....	50,000,000	---	-50,000,000
97-168	(Loan guarantees).....	(186,000,000)	---	(-186,000,000)
		-----	-----	-----
	Total, Military Assistance.....	115,500,000	---	-115,500,000
		=====	=====	=====
	Total, Chapter VI:			
	New budget (obligational) authority.....	166,531,000	1,031,000	-165,500,000
	(By transfer).....	---	(50,000,000)	(+50,000,000)
	(Limitation on guaranteed loans).....	(186,000,000)	---	(-186,000,000)

CHAPTER VII

SUBCOMMITTEE ON HOUSING AND URBAN DEVELOPMENT— INDEPENDENT AGENCIES

EDWARD P. BOLAND, Massachusetts, *Chairman*

BOB TRAXLER, Michigan
LOUIS STOKES, Ohio
LINDY (MRS. HALE) BOGGS, Louisiana
MARTIN OLAV SABO, Minnesota

BILL GREEN, New York
LAWRENCE COUGHLIN, Pennsylvania
C. W. BILL YOUNG, Florida

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

SPECIAL ASSISTANCE FUNCTIONS FUND

The Committee recommends an additional \$600,000,000 for the Section 8 and targeted tandem programs in 1982. The special assistance functions program provides financing for selected types of FHA-insured and VA-guaranteed mortgages as a means of stimulating mortgage lending and building activities when credit conditions so warrant.

Of the total amount recommended, \$200,000,000 is earmarked for 100 percent Section 8 assisted projects that cannot be financed through the use of financial adjustment factor funds. This additional mortgage purchase authority will complement actions taken in the 1982 Urgent Supplemental Appropriations Act to "buy-out" the Section 8 pipeline.

Another \$200,000,000 is for Section 8 projects where not all units received a subsidy, the so-called "20 percent" projects. This will assist approximately 5,000 units.

The remaining \$200,000,000 is for the targeted tandem program. This will provide assistance for 5,000 units of unsubsidized housing located in cities and counties which meet the physical and economic criteria of the urban development action grant program. It is the Committee's intention that the targeted tandem authority be distributed on the basis of the chronological firm commitment date.

LIMITATIONS ON GUARANTEED LOANS

The Administration proposed reducing the 1982 limitations on GNMA's mortgage-backed securities program and the Section 108 community development loan guarantee program. The mortgage-backed securities limitation was to be reduced from \$68,250,000,000 to \$48,000,000,000 and the Section 108 program was to be reduced from \$225,000,000 to \$125,000,000. The Committee does not believe the limitations should be reduced at this time.

SOLAR ENERGY AND ENERGY CONSERVATION BANK

ASSISTANCE FOR SOLAR AND CONSERVATION IMPROVEMENTS

The Solar Energy and Energy Conservation Bank was established by Title V of the Energy Security Act of 1980. The Bank is to encourage energy conservation and the application of solar technology in commercial, residential and agricultural buildings. The Bank is authorized to provide subsidies to financial institutions, local governments and utilities which make available below-market interest rates or reduced principal loans and grants for the purchase and installation of either solar energy systems or energy conservation improvements.

The purpose of the assistance and conservation improvements program is to lessen this country's dependence on imported oil and other foreign energy sources by encouraging energy conservation and the application of solar energy technology. The Committee believes this is a very desirable objective and \$21,850,000 was appropriated in fiscal year 1982 for this program. The Administration does not believe the program is of a high priority and proposed rescinding the 1982 appropriation. The Committee does not recommend approving the rescission. The 45-day period during which the funds were withheld has expired, and the Department is urged to implement this program as soon as possible.

INDEPENDENT AGENCIES

FEDERAL EMERGENCY MANAGEMENT AGENCY

SALARIES AND EXPENSES

STATE AND LOCAL ASSISTANCE

The Federal Emergency Management Agency requested supplemental appropriations of \$1,000,000 for the salaries and expenses account and \$1,408,000 for the state and local assistance account for additional radiological emergency preparedness activities.

The Committee has denied both of these requests. In view of the fact that less than three months remain in fiscal year 1982, it is unlikely that the full amounts requested could be efficiently utilized by September 30. The Committee will, however, entertain a reprogramming proposal to accomplish the highest radiological emergency preparedness activities in the next two months.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

The Committee has denied the request for \$1,367,000 of supplemental funding for the Selective Service System. It is noted that this request would restore the exact amount reduced by the Administration in connection with the twelve percent across-the-board September, 1981 budget amendment. The Committee recognizes that many agencies carried in the HUD-Independent Agencies and other appropriation bills incurred major reductions as a result of these across-the-board cutbacks. In view of that, the Committee

sees no justification in restoring to specific agencies reductions sought by the Administration.

VETERANS ADMINISTRATION

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

The Committee recommends transferring \$8,000,000 to the medical administration and miscellaneous operating expenses appropriation from the medical care appropriation for the nurse scholarship program. This amount, together with \$4,000,000 provided in the 1982 HUD-Independent Agencies Appropriation Act, will permit the VA to operate the nurse scholarship program at a \$6,000,000 level in both fiscal years 1982 and 1983. To carry out this recommendation it is necessary to provide that the funds will remain available until September, 1983.

The \$8,000,000 is to be transferred from the Vet Center program. The 1982 HUD-Independent Agencies Appropriation Act assumed a \$31,400,000 Vet Center program, including \$11,200,000 for a contracting program. The VA has informed the Committee that it will not be possible to obligate \$8,000,000 to \$10,000,000 of the contract funds because it is just beginning to implement the program. Because the Committee considers the nurse scholarship program a high priority, it is recommending that the unutilized funds be transferred to that activity rather than lapse.

GRANTS TO THE REPUBLIC OF THE PHILIPPINES

On June 30, 1982, the Administration proposed a 1982 appropriation of \$500,000 for Grants to the Republic of the Philippines to be derived by transfer from the medical care appropriation. The funds are to assure the continued effective care and treatment of United States veterans at the Veterans Memorial Medical Center at Manila. The Committee has included the requested language in the bill.

ADMINISTRATIVE PROVISIONS

Section 501(40) of title V of the 1982 Department of Housing and Urban Development—Independent Agencies Appropriation Act placed a limitation of \$34,000,000 on the total amount of funds available for the Department of Housing and Urban Development's data processing services. The Department has indicated a need for additional data processing funds. The bill contains language increasing the limitation on HUD's data processing services from \$34,000,000 to \$35,500,000. This modification in the limitation is sufficient to provide for high priority data processing requirements.

On May 11, 1982, the Department of Housing and Urban Development published a revision to the rules for the Section 202 housing for the elderly or handicapped loan program. The revision would increase the non-profit sponsor's required investment from \$10,000 to \$25,000, decrease per unit development cost limits and require competitive bid procedures. Applications for the Section 202 program were due on June 30, 1982. The Committee believes it is too late in the fiscal year for the Department to be changing the program rules. As such, language has been included in the bill that

loans made in 1982 under the Section 202 program shall not be subject to the rules published on May 11, 1982.

INCREASED PAY COSTS

The Committee recommends \$260,222,000 in 1982 supplemental appropriations for agencies under the jurisdiction of the HUD-Independent Agencies Subcommittee.

The Federal Emergency Management Agency proposes funding its increased pay cost requirements by transfer. The Committee has approved the full request and directs that no funds are to be transferred from the flood plain management program.

The Veterans Administration proposed transferring \$50,000,000 from the compensation and pensions appropriation to the medical care appropriation. The Committee does not believe that entitlement funds should be transferred to discretionary programs and has instead provided a direct appropriation of \$50,000,000.

Finally, the Committee has included an additional \$48,950,000 for NASA's research and program management. This amount is provided to offset the transfer of up to \$50,000,000 authorized to meet certain minimums carried in H.R. 6685, as enacted.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
	CHAPTER VII			
	DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
	Government National Mortgage Association			
---	Special assistance functions fund.....	---	600,000,000	+600,000,000
97-125	Guarantees of mortgage-backed securities (limitation on guaranteed loans).....	(-20,250,000,000)	---	(+20,250,000,000)
	COMMUNITY PLANNING AND DEVELOPMENT			
97-125	Community development grants (limitation on guaranteed loans).....	(-100,000,000)	---	(+100,000,000)
		=====	=====	=====

INDEPENDENT AGENCIES

FEDERAL EMERGENCY MANAGEMENT AGENCY

97-125	Salaries and expenses.....	1,000,000	---	-1,000,000
97-125	State and local assistance.....	1,408,000	---	-1,408,000
	Total, Federal Emergency Management Agency.....	2,408,000	---	-2,408,000

SELECTIVE SERVICE SYSTEM

97-125	Salaries and expenses.....	1,367,000	---	-1,367,000
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VETERANS ADMINISTRATION

---	Medical administration and miscellaneous operating expenses (by transfer).....	---	(8,000,000)	(+8,000,000)
97-206	Grants to the Republic of the Philippines (by transfer)	(500,000)	(500,000)	---

Total, Chapter VII:

	New budget (obligational) authority.....	3,775,000	600,000,000	+596,225,000
	(By transfer).....	(500,000)	(8,500,000)	(+8,000,000)
	(Limitation on guaranteed loans).....	(-20,350,000,000)	---	(+20,350,000,000)

CHAPTER VIII

SUBCOMMITTEE ON THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES

SIDNEY R. YATES, Illinois, *Chairman*

CLARENCE D. LONG, Maryland
JOHN P. MURTHA, Pennsylvania
NORMAN D. DICKS, Washington
LES AuCOIN, Oregon

JOSEPH M. McDADE, Pennsylvania
RALPH S. REGULA, Ohio
TOM LOEFFLER, Texas

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

The Committee recommends a supplemental appropriation of \$60,000,000, the budget request, to cover fiscal year 1981 emergency firefighting costs in excess of appropriations (for which funds have been borrowed under authority of the General Provisions of the 1982 appropriations act), and additional funds for fiscal year 1982 emergency firefighting costs.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

The Committee recommends a supplemental appropriation of \$2,000,000, including the full budget request of \$1,800,000 for the fire supplemental. An increase of \$200,000 is recommended for training an additional 200-250 employees in fire fighting. The Committee directs that the Department exempt travel and training expenses associated with fire and law enforcement expenses from any administrative ceilings. Language is included in the bill permitting the Secretary to enter into contracts with state and local governmental entities for fire assistance on lands managed by any unit of the Department.

In 1981 there were 250 wildfires which burned over 50,000 acres. Two deaths occurred during a wildfire at Merritt Island NWR in 1981. After the Committee held hearings on that tragedy, it insisted the Department establish improved fire training and take other actions to reduce the hazards faced by employees involved in life-threatening situations. The additional training in this account and funds to acquire additional fire equipment in the construction account are in support of the Committee-directed initiative.

The Committee is very concerned about the continuing and increasing problem of salmon and steelhead poaching, particularly in the Pacific Northwest and the Columbia River area. Due to the severity of this problem and the problem of illegal interstate trans-

portation of these fish, the Committee directs the Fish and Wildlife Service to use all appropriate means to prevent and eradicate this poaching and the illegal transportation of these fish.

CONSTRUCTION AND ANADROMOUS FISH

The Committee recommends an appropriation of \$8,000,000 for: construction of the National Fish Research facility at Gainesville, Florida (\$4,000,000); construction of the Scott Manness Administrative/Visitor facility at Merritt Island NWR, FL (\$1,815,000); for completion of the Beau Sauselein maintenance center at Merritt Island NWR, FL (\$685,000); and for acquisition of adequate fire fighting equipment and replacement of old and ineffective equipment (\$1,500,000). The Service is to provide the Committee with a list of equipment acquired and where it is to be located.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

The Committee recommends approval of a requested supplemental appropriation of \$2,200,000 for fire suppression and rehabilitation of burned areas. In 1981 there were 106 major fires which burned over 318,500 acres. The largest fire was at Big Cypress National Preserve in Florida. In addition there were 1,153 fires which were classified as minor.

CONSTRUCTION

The Committee recommends approval of a supplemental appropriation of \$17,680,000 for the following items:

Wolf Trap Farm Park for the Performing Arts, VA—\$9,000,000 to begin reconstruction of the Filene Center which was destroyed in a fire on April 4, 1982.

Home of Franklin D. Roosevelt NHS, NY—\$2,000,000 to restore portions of the FDR home at Hyde Park which were damaged by fire on January 24, 1982.

Kalaupapa NHS, Hawaii—\$680,000 to provide a permanent, safe water supply for the area on Molokai Island.

Gateway National Recreation Area—Sandy Hook, NJ unit—\$6,000,000 to reestablish a beach contour adequate to prevent the area from being breached. The Committee expects the Service to take whatever actions are necessary and reasonable to recover the cost of this program through user fees which may be established administratively. The Committee is to be informed of the action proposed to be taken within 30 days. The Committee recommends language that will permit an early start on restoring the beach area.

The Committee strongly opposes any delay in the Lake Crescent Highway reconstruction project in the Olympic National Park in Washington because it will protect the public's safety, and directs the National Park Service to complete phase 1 of the Lake Crescent Highway reconstruction project of 2.7 miles in Fiscal Year 1982 as originally intended.

LAND AND WATER CONSERVATION FUND

The Committee recommends rescission of \$30,000,000 in annual contract authority provided by 16 U.S.C. 4601-10a. This authority has not been used for several years and there are no plans to use it in fiscal year 1982.

LAND ACQUISITION AND STATE ASSISTANCE

The Committee recommends a supplemental appropriation of \$30,000,000 for payment of anticipated deficiencies for land condemnation cases on which court action has been completed or is pending. The amount provided is budgeted in fiscal year 1983. Providing the appropriation now will permit landowners to receive payment as soon as court action is completed. The areas for which funds are recommended follow:

Big Cypress Preserve, Fla.—land condemnation cases.....	+\$13,500,000
Big Thicket Preserve, Tex.—land condemnation cases.....	+4,500,000
Cape Cod NS, Mass.—land condemnation cases.....	+6,500,000
Lassen Volcano NP, Calif.—appraised value of timber on land acquired by a declaration of taking.....	+5,500,000
Total.....	+30,000,000

GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

The Committee recommends approval of a requested supplemental of \$6,200,000 to continue the improvement of the royalty management program of the Department of the Interior. The funds requested are needed to speed the development of the production accounting and auditing system, improve internal controls review, audit support, windfall profit tax computation support, microfilm files, systems development, training, and systems operation. This continues the effort initiated in 1980.

The Committee has no objection to the establishment of the Minerals Management Service by the Secretarial Order of January 19, 1982, and subsequently amended. The Committee intends to provide appropriations directly to the Service in the 1983 appropriation bill.

EXPLORATION OF NATIONAL PETROLEUM RESERVE IN ALASKA

The Committee recommends rescission of \$16,200,000 of appropriations made in fiscal year 1981 and earlier years that were not obligated in the reserve exploration program. The Department has informed the Committee that the funds are not needed.

BUREAU OF MINES

MINES AND MINERALS

The Committee recommends a supplemental appropriation of \$4,073,000 and a transfer of unobligated balances of \$991,000 from the Drainage of Anthracite Mines account to construct a research facility near Bruceton, Pennsylvania as requested. Public Law 96-543 authorizes the Secretary of the Interior to enter into a contract

with Carnegie-Mellon University to accept the Bureau of Mines facility in Pittsburgh, Pennsylvania. Carnegie-Mellon will pay to the United States the fair market value or \$5,400,000, whichever is greater. This payment will offset the cost of the new building so there will be no net cost to the United States.

The Committee understands that suitable appraisals of the fair market value of the Forbes Avenue property have recently been obtained. Therefore, the Committee expects the Secretary to now establish a fixed price for the property based on its fair market value so that a contract of sale with Carnegie-Mellon University can be entered into without delay.

Mine subsidence continues to represent a major environmental hazard to life and property in coal producing states where improper mining practices have ruined thousands of acres of productive land. Despite the expenditure of millions of dollars to repair this land there is no system in place to predict the imminence of a subsidence event.

The Committee recommends that \$100,000 from existing funds be used for the initial phase of a project to apply the latest subsidence monitoring instruments in an integrated system for abandoned mines in eastern Pennsylvania to establish criteria that will help predict impending surface subsidence. The initial phase should include preliminary selection of sites and types of instrumentation necessary to conduct field testing and evaluation.

OFFICE OF SURFACE MINING

ABANDONED MINE RECLAMATION FUND

The Committee recommends a supplemental appropriation of \$13,251,000 for the Rural Abandoned Mine Program. The Committee is concerned that there is a large backlog of reclamation work for which only limited funds have been requested. The lack of adequate requests is particularly disturbing because of the reclamation funds that have been collected but remain unused.

The appropriation for the Rural Abandoned Mine Program is for the Priority One projects for which the Soil Conservation Service has completed design work. With the amount provided, the Soil Conservation Service will be able to complete 45 projects in eight states as listed below:

PRIORITY I PROJECTS BY STATE FOR WHICH PLANS ARE 100 PERCENT COMPLETE, AS OF APR. 15, 1982

	Projects	Amount
Alabama.....	2	\$135,000
Iowa.....	6	1,963,000
Kentucky.....	12	1,611,000
Ohio.....	2	1,570,000
Oklahoma.....	4	985,000
Pennsylvania.....	15	4,254,000
West Virginia.....	3	2,664,000
Wyoming.....	1	69,000
Total.....	45	13,251,000

Although the Committee is providing funds in this supplemental for the Rural Abandoned Mine Program to take advantage of the design work that is already complete, the Soil Conservation Service is not to undertake any new design work. Future projects of this type will be funded through the reclamation grants made available to the individual states for contracting with state and local soil conservation districts. This will facilitate a better coordinated overall reclamation program and meet the Committee's and the Administration's shared objective to reduce the number of reclamation delivery systems.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

The Committee recommends a supplemental appropriation of \$7,000,000, the budget request, for the prevention and suppression of fires which are threatening forest and range lands on Indian reservations, and for the emergency rehabilitation of those lands burned over by wild fire. The funds are required to cover obligations already incurred and anticipated costs through the remainder of fiscal year 1982.

CONSTRUCTION

The Committee recommends a supplemental appropriation of \$1,000,000 for a K-8 day school facility at Black Mesa, Arizona. These funds will provide modular facilities, including classrooms, kitchen/dining facility, gymnasium/all purpose room, necessary utilities and equipment, and 5 mobile housing units. The Committee urges the Bureau of Indian Affairs to take whatever action is required to have the new facilities in place at the earliest possible date.

TERRITORIAL AFFAIRS

ADMINISTRATION OF TERRITORIES

The Committee recommends a supplemental appropriation of \$3,402,000, the budget request, for the cost of living adjustment to previously appropriated Northern Marianas grants as provided by Section 704(c) of Public Law 94-341, the covenant between the United States and the Government of the Northern Marianas.

TRUST TERRITORY OF THE PACIFIC ISLANDS

The Committee recommends a supplemental appropriation of \$21,400,000, an increase of \$400,000 over the request, for the resettlement and relocation of the people of Bikini. The increase of \$400,000 is for a study to determine the feasibility and estimated cost of a cleanup of Bikini Atoll. It is estimated the study will take approximately two years, and the Committee will examine the results and determine what further action, if any, should be taken after the study has been completed. In the meantime, there should be no further delay in commencing resettlement efforts, principally on Kili and Ejit Islands. The people of Bikini have been living

“temporarily” on Kili since 1948, and on Ejit since 1978, and more permanent facilities are needed.

The Committee further recommends placement of \$19,600,000 of these funds in a tax-free interest-bearing fund, in order to provide continuing funds over a period of years to meet the resettlement needs of the Bikini people. The bill language provides for selection of a trustee for the fund by the Bikini/Kili Council, subject only to the disapproval of the High Commissioner of the Trust Territory, and also provides for a trust agreement which is also to be approved by the Council, subject to disapproval of the High Commissioner. The trust agreement should provide for expenditure of the corpus, if required, for rehabilitation and resettlement efforts.

The Committee also recommends that \$3,000,000 be provided to the Bikini people as compensation for their enforced move from their homes thirty-six years ago. Of this sum, \$1,000,000 is to be distributed to the people to take care of present personal needs, and the remaining \$2,000,000 is to be placed in the trust fund, to remain available for future distribution to the people pursuant to the provisions of the trust agreement. The Committee has provided this distribution on the basis that, should the Bikini people prevail in their class action lawsuit, which is now pending, any amount received as compensation under that lawsuit will be reduced by \$3,000,000, to offset ex gratia payments recommended in the bill.

The Committee recommends that the \$3,000,000 distribution be weighted in favor of the elders, as the Bikinians have agreed to do, and further that “head of household” sub-accounts be established. Each household’s share of the distribution will be a percentage, determined by the number of household members plus the number of elders in the household. This percentage will be frozen as of the date the trust agreement is approved by the High Commissioner, and it will not change. Under this formula, a family’s share of the distribution will not increase as the number of household members increases. The decision to share money with a non-Bikinian relative will thus be an individual decision to be made by each head of household. His decision to give money to a non-Bikinian relative will not have an adverse effect on the other Bikinians.

The Committee also recommends that the trust agreement contain provisions with respect to the \$17,600,000 earmarked for Kili and Ejit resettlement that will assure the continuing fiscal integrity of the fund. These provisions might include, for example, appointment of a liaison between the trustee and the Office of the High Commissioner to review and approve construction projects, guidelines as to the nature of investments, maintenance of accurate books and records subject to High Commissioner review, annual reports to the High Commissioner on the investment and expenditures of funds, and the like. Provision should also be made, consistent with Section 235(b) of the Compact of Free Association, that the role of the Office of the High Commissioner in the operation and amendment of the trust agreement will be taken over by an appropriate successor agency in the U.S. Government upon termination of the Trusteeship and the Office of the High Commissioner.

The remaining \$400,000 included in the appropriation is to fund general costs of small current and planned programs, including a

nutrition and agriculture survey of Kili and Ejit Islands, ongoing medical expenses for those Bikinians removed from Bikini in 1978, the translation into Marshallese and presentation to the Bikinians of the findings, conclusions and recommendations of the May 28, 1982, independent radiological assessment of Bikini Atoll, travel and per diem costs for Bikini/Kili Council members on resettlement and rehabilitation matters, and Ejit Island support costs.

OFFICE OF THE SECRETARY

INSPECTOR GENERAL

The Committee recommends approval of the supplemental request of \$3,150,000 for the Office of the Inspector General. This will permit the I.G. to accelerate the "look back" audits of the 25 largest royalty payors. These companies pay 85 percent of all royalties received. The amount requested will provide funds for 6 audits, a 1983 budget amendment will fund 14 audits, and existing resources will be used to conduct the remaining 5 audits. This request is associated with improving the royalty management program of the Department.

YOUTH CONSERVATION CORPS

The first Continuing Resolution for fiscal year 1982 (P.L. 97-51) permitted this program to continue at the level provided in the House-passed bill until December 15, 1981. The Office of Youth Programs incurred obligations of about \$305,000 during that time. The regular bill for 1982 (P.L. 97-100) did not provide any funds for the YCC. The Department proposes to make the Fish and Wildlife Service and the National Park Service absorb those charges. The Committee does not approve of that procedure. The Department is expected to charge the obligations to the proper account under authority provided in the Continuing Resolution.

RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

NATIONAL FOREST SYSTEM

The Committee recommends a supplemental appropriation of \$69,400,000, a reduction of \$7,200,000 from the budget request. The amount provided for current and anticipated costs of fire suppression and for emergency rehabilitation of burned-over areas is \$64,900,000, a reduction of \$11,700,000 from the request. This reduction is based on a reestimate by the Forest Service of funds needed for the balance of this fiscal year, based on lower than anticipated costs in the first eight months of the year.

The Committee recommends an additional appropriation of \$4,500,000 for timber stand improvement. These funds will provide for stand improvement work on approximately 30,000 acres. The Committee intends for these funds to be directed to stands with the most productive potential.

The Committee has included bill language, providing that the \$242,542,000 limitation on timber purchaser road construction included in Public Law 97-100 shall remain available until used.

DEPARTMENT OF ENERGY

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

The Committee recommends a supplemental appropriation of \$2,580,000 for fossil energy research and development. The amount provided includes \$1,500,000 for the Homer City, Pennsylvania, coal gasification test facility and \$1,080,000 for the Waltz Mill, Pennsylvania fluid gasification research facility.

Funds for the Homer City coal gasification facility are to initiate planning and engineering design to make the facility into a test center capable of handling a variety of coal gasification tests, not just those related to the Bi-Gas process. The amount provided for fluid gasification research is to keep it on schedule to complete proof of concept work.

The Committee has included language in the bill which transfers to the Secretary of the Interior all functions currently vested in the Secretary of Energy and the Department of Energy for research and development relating to coal mine technologies. The Committee believes that the Department of Energy's coal productivity research and the Bureau of Mine's health and safety research are complementary and should be under the same management. The Department of Energy's mine equipment test center is adjacent to the Bureau of Mine's Bruceton, Pennsylvania research center

where a major portion of the health and safety technology development is performed. It is the intent of the Committee that all personnel resources, equipment, unexpended balances, and facilities currently associated with the program be transferred to the Bureau of Mines.

The Committee has also included language in the bill to conform action taken in Public Law 97-100 to consolidate all energy leasing functions in the Department of the Interior.

The Committee has noted the inability of the Department to effect a direct donation transfer of the Carbondale Mining Technology Center to Southern Illinois University, as recommended last year by the Committee.

The Committee expects mining and coal research to continue at the facility with Departmental funding. The Committee finds the Carbondale Center to be a logical site for research into the mining and utilization of high sulfur coal, specifically including coal preparation, in addition to its other on-going missions.

The Committee is also interested in exploring the concept of joint private-sector/university/government research at the Center, so that federal research dollars may be more highly leveraged in the future. The Committee expects the Department to fund activities consistent with the development of that concept by the University at the Center. The Committee understands that the State of Illinois has expressed an interest in participating in, and helping to fund, such research activities. The Committee also understands that Southern Illinois University intends to develop consortia with other educational institutions in support of the Center and the Committee expects that participation and financial support from the State and other universities will be vigorously pursued.

The Committee finds, therefore, that there is a program need for the Carbondale Center within the Office of Fossil Fuels and directs the Department immediately to take the actions required to regain possession of, and title to, the facility's real property and equipment.

Further, the Committee directs the Department to execute, as soon as practicable, a five-year cooperative agreement, or other contractual arrangement, with the university for the operation of the Center. Such arrangement shall include funding for research activities as previously outlined, as well as operating and maintenance costs of the Center.

The Committee has included language in the bill to prohibit the Department of Energy from proceeding with the planned reduction in force in the Fossil Energy headquarters staff. The Department had planned to reduce the headquarters staff level from approximately 220 to 100. The Committee is not convinced that a reduction of this magnitude is warranted. Although Congressional action on the fiscal year 1983 appropriation is not complete, there are indications that the amount appropriated will be substantially higher than requested. Under this circumstance, the Department should not proceed with the fossil energy reduction in force.

The Committee is aware that the Department of Energy and the private sponsors of the SRC-I project negotiated for five months on an appropriate government post-baseline involvement in the SRC-I project and on a corresponding allocation of the remaining SRC-I

prior year appropriations. The Committee is further aware that the OMB substantially changed this negotiated agreement and that a rescission of most of the SRC-I funds soon will be forwarded to the Congress. The Committee endorses the post-baseline plan and directs the Department of Energy to fund the program pending the resolution of the rescission request. The Committee also directs that the termination reserve be kept at \$22 million and that the Department of Energy be provided \$5 million from the carryover funds to administer the post-baseline work.

ECONOMIC REGULATION

The Committee recommends that \$3,000,000 of the amount available for Economic Regulation in fiscal year 1982 be made available in fiscal year 1983. The request was for a reappropriation of \$2,300,000. Because of an attrition rate that was higher than anticipated, reductions in force have not been of the magnitude originally envisioned. As a result, the need in fiscal year 1982 for severance pay is reduced. The additional amount to remain available through fiscal year 1983 may be used for severance pay or to enhance the program as necessary.

The Economic Regulatory Administration is directed to maintain key field offices handling crude oil reseller cases and to take every lawful action to retain auditors and attorneys with experience in the crude oil reseller cases. Field audit directors should estimate the number of auditors required in fiscal year 1983 to complete all existing cases, as well as review all records that will be received pursuant to outstanding subpoena requests. The field audit director's estimate of auditors required for fiscal year 1983 should be reported to the Committee as soon as possible but no later than August 15, 1982.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH SERVICES ADMINISTRATION

INDIAN HEALTH FACILITIES

The Committee recommends a supplemental appropriation of \$17,000,000 for Phase II construction of sanitation facilities for 5,074 units of Indian housing currently under construction, many of which will be completed this summer without the sewer and water hook-ups necessary for habitation. The Committee understands that the Department of Housing and Urban Development has offered to make funds available for the HUD pro rata share of the costs for the provision of off-site sanitation facilities. Unfortunately, this offer is not backed up by currently appropriated funds, and the Committee is forced, as it has been for the past several years, to provide these funds in order to avoid having thousands of completed homes sitting vacant, subject to vandalism and deterioration. The Committee fails to understand why the authorizing committees and the Administration have not been able to resolve this problem, and avoid the loss of the millions of dollars already invested in the construction of these homes.

NAVAJO AND HOPI INDIAN RELOCATION COMMISSION

The Committee has included bill language providing that \$7,831,000 of relocation funds appropriated in Public Law 97-100 shall remain available until expended. The relocation efforts of the Commission have been slower than anticipated in fiscal year 1982, due to a number of unforeseen occurrences, and a large portion of these funds would lapse as of September 30, 1982, if not made available until expended. The funds will be required in fiscal year 1983.

NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES

NATIONAL ENDOWMENT FOR THE ARTS

SALARIES AND EXPENSES

The Committee recommends a supplemental appropriation of \$246,000 for administrative expenses. This will permit the Endowment to move to the Old Post Office Building as planned.

FEDERAL INSPECTOR FOR THE ALASKA GAS PIPELINE

PERMITTING AND ENFORCEMENT

The Committee recommends a rescission of \$8,000,000, the amount requested, for the Federal Inspector for the Alaska Gas Pipeline. The rescission is possible because of the two to three year delay in the construction of the Alaska Gas Pipeline. The fiscal year 1982 appropriation was approved with the expectation that construction of the Alaska portion of the pipeline was imminent. Because of the problems associated with financing the pipeline, the Federal Inspector has not moved forward in building the staff necessary to monitor the Alaskan leg of the pipeline. As a result, the savings of \$8,000,000 is possible.

NATIVE HAWAIIANS STUDY COMMISSION

The Committee does not recommend a supplemental appropriation of \$175,000 which was requested to reimburse the Unanticipated Needs Fund of the President. Since the Commission began work in September 1981, when no appropriations were available for this purpose, the funds required for the Commission's operations during fiscal year 1982 were made available from the Unanticipated Needs Fund. Only \$223,000 of the \$1,000,000 available to this Fund in fiscal year 1981 was obligated, and the fiscal year 1982 funds will lapse as of September 30, 1982, with another \$1,000,000 expected to be available in fiscal year 1983. Therefore, the Committee does not believe it is necessary to reimburse the Fund in this fiscal year.

ADMINISTRATIVE PROVISION

The Committee has included bill language prohibiting the expenditure of funds for any activities associated with oil, gas, or geothermal leasing in the watersheds of the cities of Seattle and Tacoma, Washington.

PAY COSTS

The Committee is concerned about the manner in which agencies in this chapter are reducing program levels to meet the costs of pay raises. The Department of the Interior, for example, indicates that it has absorbed increased pay costs through employment freezes, delays in filling vacancies and reductions in summer field employment. These actions demonstrate a blatant disregard for the language in the fiscal year 1982 appropriations act which specifically directs that employment should not be subject to any personnel ceiling or other personnel restriction for permanent or other than permanent employment. They also result in a serious diminution in the level of program activity which was examined in detail and agreed to by the Committee, and by the Congress, as part of the fiscal year 1982 appropriations process. Such diminution will result in deterioration of the natural resources the agencies in question are charged with managing and protecting.

The Committee is concerned that funds appropriated by the Congress is fiscal year 1982 for the planning, design or construction of Indian health facilities have not been apportioned to the Indian Health Service to be used for the purpose for which they were appropriated. The Secretary of HHS is directed to inform the Office of Management and Budget of the Committee's concern at this apparent illegal impoundment of funds.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
	CHAPTER VIII			
	DEPARTMENT OF THE INTERIOR			
	Bureau of Land Management			
97-125	Management of lands and resources.....	60,000,000	60,000,000	----
		=====	=====	=====
	FISH AND WILDLIFE AND PARKS			
	United States Fish and Wildlife Service			
97-125	Resource management.....	1,800,000	2,000,000	+200,000
---	Construction and anadromous fish.....	---	8,000,000	+8,000,000
	National Park Service			
97-125	Operation of the national park system.....	2,200,000	2,200,000	----
97-206	Construction.....	9,000,000	17,680,000	+8,680,000
---	Land and Water Conservation Fund (rescission of contract authority).....	---	-30,000,000	-30,000,000
---	Land acquisition and State assistance.....	---	30,000,000	+30,000,000
	Total, Fish and Wildlife and Parks.....	13,000,000	29,880,000	+16,880,000
		=====	=====	=====

Geological Survey

97-206	Surveys, investigations, and research.....	6,200,000	6,200,000	---
97-210	Exploration of national petroleum reserve in Alaska (rescission).....	-16,200,000	-16,200,000	---

Bureau of Mines

97-125	Mines and minerals.....	4,073,000	4,073,000	---
97-125	(By transfer).....	(991,000)	(991,000)	---
---	Office of Surface Minings Reclamation and Enforcement			
---	Abandoned mine reclamation fund.....	---	13,251,000	+13,251,000

Bureau of Indian Affairs

97-125	Operation of Indian Programs.....	7,000,000	7,000,000	---
---	Construction.....	---	1,000,000	+1,000,000

Office of Territorial Affairs

97-125	Administration of territories.....	3,402,000	3,402,000	---
97-125	Trust Territory of the Pacific Islands.....	21,000,000	21,400,000	+400,000
	Total, Territorial Affairs.....	24,402,000	24,802,000	+400,000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued**

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
	Office of the Secretary			
97-206	Inspector General.....	3,150,000	3,150,000	---
	RELATED AGENCIES			
	DEPARTMENT OF AGRICULTURE			
	Forest Service			
97-125	National forest system.....	76,600,000	69,400,000	-7,200,000
	DEPARTMENT OF ENERGY			
97-125	Economic regulation (reappropriation FY 1983).....	2,300,000	3,000,000	+700,000
---	Fossil energy research and development.....	---	2,580,000	+2,580,000

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Services Administration

--- Indian health facilities..... +17,000,000

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

National Endowment for the Arts

--- Salaries and expenses..... +246,000

FEDERAL INSPECTOR FOR THE ALASKA GAS PIPELINE

97-203 Permitting and enforcement (rescission)..... -8,000,000

NATIVE HAWAIIANS STUDY COMMISSION

97-125 Salaries and expenses..... 175,000

Total, Chapter VIII:

New budget (obligational) authority..... +44,682,000
 Appropriations..... (+73,982,000)
 Reappropriation FY 1983..... (+700,000)
 Rescissions..... (-30,000,000)
 (By transfer)..... (-991,000)

=====
 175,000

 -175,000
 =====

217,382,000
 (268,582,000)
 (3,000,000)
 (-54,200,000)
 (991,000)

172,700,000
 (194,600,000)
 (2,300,000)
 (-24,200,000)
 (991,000)

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 =====
 =====

CHAPTER IX

SUBCOMMITTEE ON THE DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES

WILLIAM H. NATCHER, Kentucky, *Chairman*

NEAL SMITH, Iowa
DAVID R. OBEY, Wisconsin
EDWARD R. ROYBAL, California
LOUIS STOKES, Ohio
JOSEPH D. EARLY, Massachusetts
BERNARD J. DWYER, New Jersey

SILVIO O. CONTE, Massachusetts
GEORGE M. O'BRIEN, Illinois
CARL D. PURSELL, Michigan
BOB LIVINGSTON, Louisiana
JOHN EDWARD PORTER, Illinois

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

EMPLOYMENT AND TRAINING ASSISTANCE

The Committee recommends an appropriation of \$8,500,000 for construction of facilities at the Joliet, Illinois Job Corps Center. This center was badly damaged by fire last fall. The Committee wishes to see this center rebuilt at the earliest possible date and has included adequate funding in this bill to accomplish that. The Department is instructed to move on this project with the greatest expedition. There is no reason for further delay.

The Committee strongly recommends that first priority with respect to enrollment at the Joliet Center be accorded to young men and women who reside within a 200 mile radius of Chicago, Illinois.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

The bill includes \$210,572,000 for the older workers employment program under title V of the Older Americans Act. That amount, together with \$66,528,000 appropriated in the Continuing Resolution, provides a total of \$277,100,000 for fiscal year 1982, the amount of the authorization. The program is currently funded through September 30, 1982; the funds in this bill will continue the program at its current level of 54,000 job slots through June 30, 1983. The program has traditionally been forward-funded in this manner, and the basic law now requires forward-funding. The Committee believes that this has been a very effective program, and that it deserves to be continued.

The bill appropriates 80 percent of the funds for national contractors. The Committee believes that the existing contractors have done an exemplary job of administering this program with a minimum of bureaucratic overhead.

There was no budget request for this program.

LABOR-MANAGEMENT SERVICES ADMINISTRATION

SALARIES AND EXPENSES

The bill includes the budget request of \$1,157,000. These funds are to be derived by transfer from existing CETA appropriations. This amount, together with \$52,800,000 appropriated in the Continuing Resolution and a pay raise supplemental of \$1,710,000 contained elsewhere in this bill, provides a total appropriation for the agency of \$55,667,000 for fiscal year 1982.

The supplemental appropriation for the Labor-Management Services Administration will be utilized in the ADP area to maintain and improve computerized targeting systems in direct support of enforcement efforts in the Pension and Welfare Benefits Program and the Labor-Management Standards Enforcement activity. Additionally, the Committee also provided funds for ADP and other contracts for the remaining activities within the Labor-Management Services Administration. The Committee recommendation also includes \$300,000 to publish in the Federal Register regulations and exemptions from the prohibited transaction provisions of ERISA.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

The bill includes language increasing the amount available for grants to States for occupational safety and health compliance programs by \$3,800,000, the amount requested in the budget. The revised total for State operational grants is \$43,700,000. The additional funds are needed to allow the States to meet increased mandatory operating expenditures and to conduct approximately the same number of inspections as in fiscal year 1981. There are offsetting reductions of \$3,800,000 elsewhere in the OSHA budget, primarily in consultation activities (—\$2,478,000) and compliance officer training (—\$500,000). Consultation activities will be funded at \$21,000,000 after the reduction, the same level as fiscal year 1981.

The Committee has not approved bill language proposed by the Administration dealing with staffing levels in those States that operate their own safety and health programs under section 18 of the Act. The proposed language is intended to modify the application of a Federal court order to allow OSHA to grant final approval to those eligible State programs that provide staffing levels "at least as effective" as the Federal program. The Committee believes that this is a legislative matter that does not properly belong in an appropriations bill.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH SERVICES ADMINISTRATION

HEALTH SERVICES

National Health Service Corps.—The Committee has learned that students who received Exceptional Financial Need (EFN) Scholarships in the 1981-82 academic year will not be given an opportuni-

ty to apply for National Health Service Corps (NHSC) Scholarships for the next year. While the Committee understands that the Department's fiscal year 1982 budget does not contemplate new scholarships, it is our belief that assistance to an ex-EFN student should be treated as a continuation rather than a new award. The Committee urges the Department to utilize excess and unobligated funds from the NHSC field support budget or the Public Health Service Hospital budget to make available NHSC scholarships to as many ex-EFN students as possible. The Committee expects the Department to notify the Committee with respect to its plans in this regard.

Sickle Cell Clinics.—The Committee wishes to express its concern about Departmental plans to abruptly terminate federal support to fifteen of twenty sickle cell clinics in fiscal year 1982. This action could result in the closure of several clinics which provide necessary services to hundreds of sickle cell victims. The conference report for the Omnibus Budget Reconciliation Act of 1981 encourages the Secretary to give special consideration to the continuation of existing genetic disease and hemophilia programs. That Act also includes language giving States the option of funding genetic services under the Maternal and Child Health Block Grant. However, monies available to the States under the Block Grant have been reduced by 24 percent since last year. As a result several sickle cell projects are experiencing difficulty in obtaining State funding to offset an expected loss in federal support. The Committee urges the Department to use available resources under the Maternal and Child Health 15 percent set-aside, including any funds available as a result of supplemental appropriations, to provide transitional funding for those sickle cell projects which need additional time to develop alternative funding sources.

Sickle Cell Research, National Heart, Lung and Blood Institute.—In addition to the vital services provided by the sickle cell clinics, sickle cell centers provide an environment for high quality research which may lead to improved treatment and diagnosis of this debilitating disease. Research in this field is the responsibility of the National Heart, Lung and Blood Institute. The Committee is concerned that the potential for using these centers has not been adequately pursued by the Institute. In particular, the Committee understands that four sickle cell centers, which have been approved by the Institute's research committees, may not in fact be funded. The Committee urges the Department to reconsider this decision and fund grants to as many centers as possible.

CENTERS FOR DISEASE CONTROL

PREVENTIVE HEALTH SERVICES

The Committee recommends an \$11 million supplemental appropriation for the Centers for Disease Control. That amount, together with \$294,317,000 appropriated in the Continuing Resolution and a pay raise supplemental of \$7,132,000 contained elsewhere in this bill, provides a fiscal year 1982 appropriation of \$312,449,000.

The bill includes an additional \$6 million and 20 positions for the Childhood Immunization Grant Program. The revised totals for the

program are \$27,817,000 and 80 positions. The Committee has been concerned for some time about the adequacy of funding for this program. Despite assurances given by the Department earlier this year, reports have continued to reach the Committee concerning the probable inadequacy of the funding. The program is currently operating at a level that is \$2.3 million lower than last year, and the cost of vaccines continues to rise dramatically. This has been one of the most successful government programs ever devised, and the Committee does not wish to see it diminished.

The bill includes an additional \$4 million for the venereal disease prevention and control grant program. The revised total for the program is \$35.4 million, still \$4.6 million less than last year. Venereal diseases are a serious public health problem in this country. This added funding is badly needed to alleviate some of the funding pressures on this program caused by the short-funding of grants to accommodate the reduction made in the Continuing Resolution. The Committee is particularly concerned about the increasing incidence of genital herpes. This is an incurable disease affecting an estimated 20 million Americans with devastating consequences for newborns. Although herpes is a serious communicable disease problem in this nation, the current budget prevents CDC from making adequate progress against it. Although no treatment or cure exists for herpes, there is a critical need for public and professional education to prevent the spread of disease. The Committee directs CDC to take whatever steps are necessary to begin to show some progress in stemming the spread of this disease.

The bill includes an additional \$1 million for the chronic diseases budget activity. The revised total is \$19,258,000. The additional funds are to be used for tuberculosis control activities; the Committee understands that about \$2.3 million was made available for this purpose in the Continuing Resolution. The Committee is concerned about the incidence of tuberculosis in this country. Over the past three years, there has been a leveling off of the slow but steady decline in tuberculosis cases which had been evident in the country for decades. The disease continues to be a major health problem despite the fact that medical research has provided us with effective methods for its prevention and control. Our failure to prevent and control tuberculosis is measured by the 27,412 new cases reported in 1981. In 1980, 1,569 new cases occurred in children under the age of 14 years. Tuberculosis in children under 14 years represents new infection and is an indication that transmission is occurring. Tuberculosis is five times more prevalent among non-whites than whites. It is concentrated among low-income and minority segments of our population. The highest tuberculosis case rates prevail in the major cities. The increase in immigration to the United States from countries where the incidence of tuberculosis is still high has added to the problem of preventing and controlling it in this country. The annual incidence of tuberculosis among Indo-Chinese who entered the country in 1979/1980 without the disease was 500 per 100,000, approximately 40 times the new case rate for the United States. A national commitment is mandatory if we are to reduce the continuing transmission of this disease, especially to young children.

There was no budget request for this account.

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

The bill includes a supplemental appropriation of \$10,000,000 for the research program of the Alcohol, Drug Abuse, and Mental Health Administration. No budget request was submitted by the President for this program. These additional funds will support approximately 100 new research grants at the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism and the National Institute on Drug Abuse. These are proposals which have already been approved by the Institutes but which could not be funded within existing resources. The Committee has intentionally not specified a distribution of these funds among mental health, drug abuse and alcoholism. This decision should be made by the Department based on the quality of research proposals submitted to it. The Committee is, however, particularly aware of a large number of high quality proposals currently pending in the mental health field and believes a significant portion of the new funds should be directed at this problem.

There is currently \$191 million available for research at these three Institutes. The Committee believes this is inadequate given the high personal and monetary cost associated with the mental health, alcoholism and drug abuse problems. The amount available is \$16.6 million below the amount spent in fiscal year 1981 and \$22.2 million less than approved by the House when it originally considered this program last Fall. Without this supplemental 218 new research grants would be funded compared to a historical average of more than 500 awards. In the mental health area, 70 percent of approved applications in the neurosciences, 77 percent in behavioral research, 72.5 percent in clinical research, and 67 percent in psychopharmacology cannot be funded. This would be particularly tragic given the improved quality of research proposals being submitted in these areas. This is evidenced by the fact that during the last year ADAMHA grantees have received several of the most prestigious awards in medical research including the Nobel Prize.

Clinical Training: State Manpower Development.—The state manpower development program is designed to enable state mental health agencies to develop the capacity to plan, implement and evaluate systems for mental health manpower development and to facilitate more effective preparation, distribution, utilization, and retention of mental health personnel, and thus, improve the quality of services. The Committee wishes to reaffirm its support for the state manpower development program. The Committee also notes that this program can play a valuable role in assisting states to address their needs as they adapt to block grants and personnel dislocation and redeployment resulting from declining Federal assistance.

HEALTH RESOURCES ADMINISTRATION

HEALTH RESOURCES

The bill includes \$7,000,000 for the construction of an Animal Resource Facility as a function of the Interdisciplinary Center for the Health Professions at the Georgetown University Medical Center. Animals are presently housed in a garage constructed in 1937 which is both inadequate and antiquated. The new facility will be used in the instruction of medical and dental students from all parts of the United States, as well as in research projects sponsored by the National Institutes of Health, the Veterans' Administration, the Department of Defense, and other Federal agencies. At the end of 1981, Georgetown faculty, graduate students, and staff were involved in more than 163 such research projects. The total cost of the new animal facility is estimated at \$10 million.

ASSISTANT SECRETARY FOR HEALTH

SALARIES AND EXPENSES

The bill includes the budget request of \$10,313,000 for the Adolescent Family Life Program to fund 40 care and prevention projects and 20 research and dissemination projects. The objective of this program is to find effective means of addressing the problems associated with adolescent premarital sexual activity, pregnancy, and childbearing, giving particular attention to the role of the family. The program will support a variety of model demonstration projects in care and prevention services that identify innovative and cost effective new approaches to these problems. States and local communities will be able to examine the models and select those approaches that best meet their particular needs. The Committee recognizes that this program is not designed as a long-term direct services delivery system but is in fact a demonstration effort. By helping States and local communities learn how to deliver services to adolescents more effectively and efficiently, better services should be provided at a lower cost to the taxpayer.

HEALTH MAINTENANCE ORGANIZATION LOAN AND LOAN GUARANTEE
FUND

The bill includes a supplemental appropriation of \$17,500,000 to replenish the HMO Loan and Loan Guarantee Fund, permitting the program to repurchase notes held by the Federal Financing Bank (FFB) and to continue loan disbursements and Fund operations.

The Fund is authorized to provide loans and loan guarantees to HMO's for initial working capital to cover projected initial deficits and for facilities expansion. As direct loans are made, they are sold to the FFB, thereby replenishing the Fund's capital. The Fund currently plans to cease making new loans once loans are made to those remaining HMO's which have received Federal development grant assistance.

Since the beginning of this program in 1975, losses of \$49,700,000 have occurred. This total is made up of \$39,100,000 of defaults by 21 HMO's and \$10,600,000 of discounting losses on notes resold to

FFB. As a result, losses have exceeded the fund's initial capitalization of \$35,000,000 by \$14,700,000.

In order to avoid insolvency in this situation, the Fund has deferred repurchasing some of the defaulted notes and, instead, is making the required interest payments to FFB on these loans. However, there are not sufficient funds to continue this stopgap procedure. Therefore, the Committee recommendation includes sufficient funds to repurchase all loans which have defaulted through December 31, 1981 that are currently held by FFB.

The program has experienced a default rate to date of nearly 25 percent and a large number of loan recipients are still in the first few years of operation (when economic failure is most likely to occur). As a result, the Committee anticipates continuing losses to the Fund and the need for additional appropriations to cover these losses in future years.

The Committee has not approved bill language proposed in the budget that would have allowed the Secretary to waive the qualification requirements of the basic HMO law. This is clearly a legislative matter that does not belong in an appropriations bill.

HEALTH CARE FINANCING ADMINISTRATION

GRANTS TO STATES FOR MEDICAID

The bill includes supplemental appropriations of \$142,000,000 for the Medicaid program. This is in addition to the \$17,427,843,000 currently available under the fiscal year 1982 Continuing Resolution for this account. The amount recommended by the Committee is \$410,757,000 less than requested by the President. These funds support the Federal share of State Medicaid programs which provide health insurance benefits for the poor. This is an entitlement program under which States are reimbursed a percentage of all qualifying expenditures.

The most recent report of the Department of Health and Human Services on actual expenditures in fiscal year 1982 for the Medicaid program indicates that the 1982 shortfall will be no more than \$342,000,000 rather than the \$552,757,000 estimated when the President submitted his supplemental request on February 8, 1982. In addition the Committee is aware that approximately \$200 million, still in the budget, relates to prior year State claims which may not be approved by the Department. The Committee has, therefore, reduced the request to the amount which it believes will actually be required during the current fiscal year.

PROGRAM MANAGEMENT

The Committee has not approved the request for an additional \$5,941,000 for Federal administration of the Medicare and Medicaid programs. There is currently \$950,535,000 available in this account under the fiscal year 1982 Continuing Resolution. The additional funds requested in the budget would have paid severance pay and other termination expenses associated with reductions-in-force within the Health Care Financing Administration. These "RIF's" were scheduled to take place on April 1, 1982 and October 1, 1982. The April action has been cancelled and the October "RIF" is cur-

rently under review within the the executive branch. The Committee has therefore recommended that no supplemental be approved at this time.

SOCIAL SECURITY ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

The bill includes an increase of \$42,900,000 in the amount of Social Security Trust Funds which may be spent on Federal administration of Social Security programs. This is the amount requested by the President and raises the limitation to \$3,059,900,000. The additional funds will support the implementation of the recently announced plan to modernize and upgrade the computer system used by the Social Security Administration. This is a multi-year project expected to cost in excess of \$400 million. The Comptroller General has recently completed a review of this plan and has endorsed its general design. In addition to the computer project, the additional funds will also support certain administrative procedures mandated in the Omnibus Budget Reconciliation Act of 1981. The bill includes language which provides that funds available in fiscal year 1982 for the computer modernization project remain available until expended. This replaces language requested by the President which proposes that all funds in this account remain available until expended.

REFUGEE AND ENTRANT ASSISTANCE

Disputed State Claims.—Representatives of a number of states have brought to the attention of the Committee the possibility of a significant shortfall in fiscal year 1982 funds available for cash and medical assistance provided to refugees. In response to this claim, the Department of Health and Human Services recently completed a review of State costs which indicates that current appropriations appear to be adequate. Negotiations between the Federal government and the States to resolve this dispute are continuing. The Committee wants to state clearly that 1982 funding currently available has been provided based on a policy of 100 percent reimbursement of eligible costs. Should current appropriations be inadequate, the Committee expects to support the funding of all legitimate claims.

Further, we are informed that the Department's receipt of third quarter data from the States will help to provide a more accurate estimate of State cash and medical assistance costs anticipated through the end of this fiscal year. The Department is directed to furnish this Committee its evaluation of projected fiscal year 1982 State costs by August 15, 1982.

DEPARTMENT OF EDUCATION

COMPENSATORY EDUCATION FOR THE DISADVANTAGED

The Committee recommends \$148,000,000 in supplemental appropriations for grants to local educational agencies for the disadvantaged, authorized by Chapter 1 of the Education Consolidation and Improvement Act of 1981 (formerly Title I of the Elementary and

Secondary Education Act). The additional amount recommended would provide a total of \$2,562,753,000 for this program for fiscal year 1982. No supplemental funds were requested for this program in the budget.

Because Title I is an advance funded program, the appropriation available for fiscal year 1982 will be distributed to States and local school districts for use during the 1982-1983 school year. A basic part of the formula for distributing these funds is the number of children in families below the poverty level as determined by the decennial census. With regard to the data to be used in allocating funds, the basic law states that the Secretary shall use ". . . the most recent satisfactory data available from the Department of Commerce . . ."

The Committee understands that new data from the 1980 census may be available in time for distributing the 1982 appropriation. Apparently, a preliminary distribution based on 1980 census data was recently developed by the Department of Education. However, this distribution is incomplete mainly because 1980 data is not yet available for Puerto Rico, which by law must be treated as a State. Puerto Rico data are not expected until late summer according to the Department.

Based on the preliminary distribution of the 1982 appropriation currently available, it is estimated that an aggregate amount of \$148,000,000 would be shifted among the school childrens' allocations if 1980 census data were to be used instead of 1970 census data. In other words some school districts would get less using the 1980 data while some would get more, with the gross loss and gain aggregating \$148,000,000. Such a substantial shift in allocations coming at this particular time of the year when the distribution of funds is normally made will cause problems for local school districts in establishing their budgets and developing plans for Title I services.

Irrespective of which census data is used in making fund allocations for 1982, the Committee feels that additional funding should be provided to allow a smooth transition from one data base to another. Accordingly, the Committee recommends a supplemental appropriation of \$148,000,000 which would give local school districts the higher of the amount they would receive under the 1970 census or the 1980 census, for fiscal year 1982 only.

SPECIAL PROGRAMS

The Committee wishes to reaffirm its intent that funds it has appropriated during 1982 for the Women's Educational Equity Act program are to be used to continue funding for existing continuation contracts and one educational development contract. In particular, the Committee is concerned that the five demonstration contracts and the one education development contract receive continuation funding from 1982 appropriations as anticipated. The Committee is concerned that the Department of Education may be prematurely terminating these contracts and thereby undermining the intent of Congress.

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

The bill includes language requested by the Administration authorizing the use of unobligated prior year balances to help meet an unanticipated demand for payments under section 3(d)(2)(B) of Public Law 81-874. This section provides additional funds to school districts in which the average daily attendance is made up of at least 50 percent federally-connected children and which do not have available sufficient resources to provide a level of education equivalent to comparable districts. The 1982 continuing resolution mandates that payments for Section 3(d)(2)(B) be fully funded before other payments under Section 3 are made. The current estimate is that up to \$57 million may be required for this provision.

The Department proposes to obtain a portion of the funds required for 3(d)(2)(B) payments by the use of the remaining \$11,298,411 from unneeded 1976 "hold harmless" funds. This sum added to the original estimate of \$7.6 million will make available an amount of \$18,898,411 for payments under section 3(d)(2)(B) during fiscal year 1982. The balance needed to meet the demand will have to be derived from within the existing appropriation.

EDUCATION FOR THE HANDICAPPED

The Committee recommends \$26,500,000 in supplemental appropriations for three discretionary programs for educating handicapped children. No supplemental funds were requested in the budget.

Under the Continuing Resolution, programs relating to special education personnel development, early childhood education, and innovation and development were reduced between 20 percent and 50 percent below the previous year's funding level. These reductions are proportionately higher than reductions made in education programs generally. The amount recommended will restore these programs to approximately their previous year's level.

The recommendation includes \$15,700,000 for special education personnel development, raising the total amount for this program to \$49,300,000. This program provides support to promote an adequate supply of qualified special education and support personnel. It has four major purposes: (1) preparation of fully trained and certified special educators; (2) preparation of support personnel; (3) special education training for regular education teachers; and (4) development of innovative training models.

The Committee directs the Secretary of Education to ensure that parent training programs benefit equitably in the supplemental Personnel Preparation monies to be used specifically for training programs conducted by coalitions of parents' groups to train parents of handicapped children in a manner that helps them assure appropriate programming for their children. For the past seven years these voluntary, nonprofit coalitions have been funded by the Department of Education, more recently and appropriately under the Division of Personnel Preparation of the Office of Special Education and Rehabilitative Services. Each year, under this program, tens of thousands of parents of handicapped children are being trained in the skills needed to ensure an appropriate education for

their children; thousands of these trained parents have, in turn assisted other parents in this effort.

Also included in the recommendation is \$7,200,000 for early childhood education, raising the total for this program to \$16,800,000 for fiscal year 1982. The purpose of this program is to stimulate increased and improved services to young handicapped children (from birth to 8 years of age) and their parents. This program is based on the fact that additional or more severe handicaps may be prevented and greater long-term cost-effectiveness may be realized when education begins at the earlier stages of development.

In addition, the Committee recommends \$3,600,000 for innovation and development raising the total for this program to \$10,800,000 for fiscal year 1982. This program is directed toward developing new knowledge, methods and materials to help the Nation's schools fulfill their commitment to handicapped children.

VOCATIONAL AND ADULT EDUCATION

The Committee recommends \$2,520,000 in supplemental funds for vocational education. No supplemental funds were requested for this purpose in the budget.

Of the amount recommended, \$1,000,000 is to provide additional funding for the National Center for Research in Vocational Education operating at Ohio State University. The additional amount will provide a total of at least \$5,400,000 for the current fiscal year. The National Center provides leadership development, dissemination activities, applied research, and a variety of other services designed to improve vocational education. The Committee feels that Federal support should be maintained at the 1981 funding level.

In addition, the bill provides \$1,520,000 to restore funding for the vocational education State advisory councils to the fiscal year 1981 level. The additional funds are needed to provide reasonable support levels by maintaining funding for each council at the previous year's amount. Reductions required by the current continuing resolution have reduced the amount for many of the State councils below the minimum level of \$94,000, affecting their capacity to carry out responsibilities required by law.

STUDENT FINANCIAL ASSISTANCE

The Committee recommends \$169,000,000 in supplemental appropriations for student assistance programs. This amount is in addition to \$3,352,480,000 available under this account for fiscal year 1982. There is no supplemental budget request for these programs.

Of the total amount recommended \$140,000,000 is for the Pell Grant program. The additional amount will bring the total available for this program to \$2,419,040,000 for fiscal year 1982. The Pell Grant program provides assistance to qualified undergraduate students who can demonstrate financial need and who are enrolled at least half-time in accredited postsecondary institutions.

Additional funds are required to carry out the intent of Congress in setting the maximum award level at \$1,800 for fiscal year 1982. Without the additional funds, the maximum award level is estimated to be \$1,674 which is about the same level provided by the fiscal

year 1981 appropriation. The Committee finds this unacceptable in the face of the rising costs of higher education. The Committee is aware that even the additional amount provided may be insufficient to finance a maximum award level of \$1,800 based upon current estimates; however, by this action, the degree of rateable reduction will be minimized.

The Committee has also included an amount of \$29,000,000 for supplemental educational opportunity grants, raising the total for this program to \$307,400,000 for fiscal year 1982. This partially restores the reduction in funds for this program resulting from the current continuing resolution. Current funding for this program is \$278,400,000 an amount which is \$91,600,000 less than the amount available for the previous year. The Committee feels that this program has received an unfair reduction in funding for fiscal year 1982. The additional amount provided will lessen the impact of the funding reduction occurring under the continuing resolution.

Supplemental educational opportunity grants are awarded by colleges and universities. Applicants receive grant support if financial aid officers determine that they are eligible, based on one of several possible need analysis procedures. The maximum grant is \$2,000. With the total funds available, it is estimated that about 550,000 students will be assisted.

HIGHER AND CONTINUING EDUCATION

The bill includes \$5,184,000 in supplemental funds requested for the institutional aid program. The amount provided will restore, for this program, the four percent reduction required by the 1982 continuing resolution. The amount currently available for this program is \$124,416,000. The supplemental funds would raise this to \$129,600,000, the full amount authorized by law.

The institutional aid program, authorized by Title III of the Higher Education Act, is designed to assist developing institutions which have a low average expenditure per student and which have a high proportion of students receiving Federal student assistance. The emphasis of the program is toward assisting historically black colleges and institutions with high enrollment of low income students. The supplemental funds would support about 23 additional grants, raising the total number of grants to 575 for fiscal year 1982.

The Committee has also included bill language requested to extend the availability of \$10,000,000 for this program through September 30, 1983. This is necessary to allow funding for historically Black institutions at the level intended by the basic law.

HIGHER EDUCATION FACILITIES LOAN AND INSURANCE FUND

The bill includes \$9,746,000, the supplemental amount requested in the budget. This amount is in addition to \$1,350,000 available under the 1982 continuing resolution.

The higher education facilities loan and insurance fund was established by the Participation Sales Act of 1966, which authorizes funding for construction loans through the cumulative sales of \$200 million in participation sales certificates. This account receives income from principal and interest payments on outstanding loans.

These repayments are generally below the account's operating expenses, which include: (1) Interest expenses to Treasury on funds appropriated in prior years; (2) principal and interest payments to the Government National Mortgage Association (GNMA) for the retirement of participation certificates; and (3) loan servicing and management expenses paid to the Treasury and GNMA. Substantial net losses occur in the account because of the differential between the amount of interest returning to the account and the amount that must be paid out. The existing balance in the fund is insufficient to meet the full amount of interest expenses for the current year; therefore, supplemental funding is required.

The requested bill language specifying that no new loan commitments may be made during fiscal year 1982 is not included in the bill. Such language is not necessary since no authority to make new loans was granted in the 1982 continuing resolution.

COLLEGE HOUSING LOANS

The Committee has included language in the bill directing that \$75,000,000 be made available for new loan commitments during fiscal year 1982.

By including language in the bill, the Committee reaffirms the expectations and intentions of the Congress concerning the operations of the college housing loan program for fiscal year 1982. The legislative intent of the third Continuing Resolution for Fiscal 1982 (H.J. Res. 370, Public Law 97-92) and carried forward in H.J. Res. 409, Public Law 97-161, appears in the Congressional Record of December 10, 1981, Page H. 9114 and page S. 14960 as follows:

The resolution clarifies that the College Housing Program is intended to function at a level of \$75 million for direct loan commitments.

The Committee expects these funds to be released without delay and the program to function, according to Congressional intent, at the level of \$75 million in new direct loan commitments.

SPECIAL INSTITUTIONS

AMERICAN PRINTING HOUSE FOR THE BLIND

The Committee recommends \$200,000 in supplemental appropriations for the American Printing House for the Blind. This amount is in addition to \$4,800,000 available for 1982 under the continuing resolution. No supplemental funds were requested in the budget.

The American Printing House for the Blind was chartered by the Commonwealth of Kentucky in 1858 for the nonprofit manufacture of books and educational aids for use in education of blind children in special schools for the blind. In 1879, legislation was enacted which enables the Printing House to provide educational materials for all blind children throughout the United States, its territories and possessions.

Current funding available to the Printing House is \$121,000 below the previous year's level. With an increase in the number of blind children, along with higher costs of labor and materials, this reduced level of funding has created problems in the capacity of

the Printing House to provide materials and services to blind children. The additional amount provided is designed to maintain the current level of services.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

The Committee recommends \$1,052,000 in supplemental appropriations for the National Technical Institute for the Deaf. This amount is in addition to \$25,248,000 available for 1982 under the continuing resolution. No supplemental funds were requested in the budget.

This Institute is a national postsecondary residential center that provides technical and professional education for deaf students. The institute also trains individuals to serve the deaf population and conducts applied research into the communications, economics, employment, and other aspects of deafness.

Current funding under the continuing resolution is insufficient to maintain services and to develop the needed capacity for the anticipated enrollment of deaf students. The rubella epidemic of 1963-1965 is expected to create an increase in the number of young people seeking postsecondary technical education. The Committee feels that deaf people should have an opportunity for such education.

GALLAUDET COLLEGE

The Committee recommends \$2,080,000 in supplemental appropriations for Gallaudet College. This amount is in addition to \$49,920,000 available for 1982 under the continuing resolution. No supplemental funds were requested in the budget.

In addition to Gallaudet College, this appropriation heading also includes the Model School for the Deaf and the Kendall Demonstration Elementary School. The liberal arts college of Gallaudet serves deaf persons through specifically designed educational opportunities and through the training of teachers and other professionals. The college derives its operating revenues from appropriations and non-Federal sources of income such as tuition and ancillary service revenues.

Current funding under the continuing resolution is approximately at the same level as fiscal year 1981. Normal increases in operating costs together with additional enrollments have created problems in maintaining a reasonable level of services at the College. The additional amount provided should alleviate these problems.

HOWARD UNIVERSITY

The bill includes \$5,808,000 in supplemental funds requested for Howard University. This amount is in addition to \$139,392,000 available for 1982 under the continuing resolution.

The supplemental amount includes \$3,844,000 to provide faculty and non-faculty salary increases and to make program improvements to meet accreditation deficiencies. In addition, the supplemental amount includes \$1,154,000 to maintain services at the Howard University Hospital and \$810,000 to complete construction of a classroom building.

The Committee wishes to emphasize that Howard University, a private institution of higher education, is entitled to compete with other private institutions as well as public institutions, for federal grants, contracts and loans. Howard University is also entitled to compete for intergovernmental transfers.

OFFICE OF THE INSPECTOR GENERAL

SALARIES AND EXPENSES

The bill includes \$430,000, the supplemental amount requested in the budget. This amount is in addition to \$11,005,000 available under the 1982 continuing resolution.

The Office of the Inspector General was created to establish a basis for independent review of the integrity of Departmental programs and activities. The Office of Inspector General is the central authority concerned with quality, coordination and coverage of audit, investigative and security responsibilities of the Department.

The amount included in the bill would provide funds for hiring additional auditors and for contracting for audit services, needed to reduce the backlog of contracts requiring audits.

RELATED AGENCIES

RAILROAD RETIREMENT BOARD

DUAL BENEFITS PAYMENTS ACCOUNT

The Committee recommends \$11,000,000 to restore railroad retiree dual benefit payments to full entitlement for the August 1 and September 1 checks. These retirement benefits were reduced by 15 percent during consideration of the Continuing Resolution. The Committee feels that this reduction was unfair and should never have been made. The revised total for 1982 for dual benefits is \$390,200,000.

There was no budget request for this account.

The Committee has included language in title II of the bill specifying that full-time equivalent employment at the Board shall not be less than 1,578, the current authorized level. The Committee understands that the Board may be preparing to terminate as many as 200 employees in the near future in an effort to comply with employment ceilings imposed by the Office of Management and Budget. In the opinion of the committee, this would be a serious mistake. Board employment should not be reduced below current levels.

SOLDIERS' AND AIRMEN'S HOME

OPERATION AND MAINTENANCE

The bill includes authority to expend \$796,000, the amount of the request, from the Soldiers' and Airmen's Home permanent fund. That amount, together with \$22,872,000 made available in the Continuing Resolution and a pay raise supplemental of \$753,000 contained elsewhere in this bill, provides a total for the Home of \$24,421,000 for fiscal year 1982.

This supplemental will cover the costs of additional repair and maintenance contracts, health care supplies, and equipment purchases.

CAPITAL OUTLAY

The bill includes authority to expend \$953,000 from the Soldiers' and Airmen's Home permanent fund. The Committee feels that capital improvements and repairs have been too long neglected at the Home; a large backlog exists at this time. The Home should begin to address the backlog as quickly as possible to ensure that the safety and comfort of the Home's elderly residents are not compromised. Examples of urgent unfinanced requirements are as follows: roof repairs on major buildings, heating and steam distribution repair, renovation, rehabilitation and repairs of a principal health care facility building, elevator repairs, and restoration and repair of other major buildings.

No budget request was submitted for this account.

INCREASED PAY COSTS

The Committee bill recommends approval of the amount requested for supplemental appropriations or transfers related to the cost of the October 1981 pay raise for Federal employees of those agencies funded in the Labor, Health and Human Services and Education Appropriations Act. Title II of the bill provides an additional \$161,782,000 for this purpose including \$56,864,000 in general fund appropriations, \$28,357,000 in general fund transfers and \$76,561,000 in increases to trust fund limitations. Approximately 45 percent of the cost of the increase in Federal compensation will be absorbed within available appropriations.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL**

TITLE I—GENERAL SUPPLEMENTALS

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
	CHAPTER IX			
	DEPARTMENT OF LABOR			
	EMPLOYMENT AND TRAINING ADMINISTRATION			
---	Employment and training assistance.....	---	8,500,000	+8,500,000
---	Community service employment for older Americans.....	---	210,572,000	+210,572,000
	LABOR-MANAGEMENT SERVICES ADMINISTRATION			
97-125	Salaries and expenses (by transfer).....	(1,157,000)	(1,157,000)	---
	DEPARTMENT OF HEALTH AND HUMAN SERVICES			
	CENTERS FOR DISEASE CONTROL			
---	Preventive health services.....	---	11,000,000	+11,000,000
	ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION			
---	Alcohol, drug abuse, and mental health.....	---	10,000,000	+10,000,000
	HEALTH RESOURCES ADMINISTRATION			
---	Health resources.....	---	7,000,000	+7,000,000

ASSISTANT SECRETARY FOR HEALTH

97-125	Salaries and expenses.....	10,313,000	10,313,000	---
97-168	Health maintenance organization loan and loan guarantee fund.....	17,500,000	17,500,000	---

HEALTH CARE FINANCING ADMINISTRATION

97-125	Grants to States for Medicaid.....	552,757,000	142,000,000	-410,757,000
97-125	Program management.....	5,941,000	---	-5,941,000
	Total, Health Care Financing Administration.....	558,698,000	142,000,000	-416,698,000

SOCIAL SECURITY ADMINISTRATION

97-125	Limitation on administrative expenses.....	(42,900,000)	(42,900,000)	---
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DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

---	Compensatory education for the disadvantaged.....	---	148,000,000	+148,000,000
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OFFICE OF SPECIAL EDUCATION AND
REHABILITATION SERVICES

---	Education for the handicapped.....	---	26,500,000	+26,500,000
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OFFICE OF VOCATIONAL AND ADULT EDUCATION

---	Vocational and adult education.....	---	2,520,000	+2,520,000
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OFFICE OF POSTSECONDARY EDUCATION

---	Student financial assistance.....	---	169,000,000	+169,000,000
97-125	Higher and continuing education.....	5,184,000	5,184,000	---
97-125	Higher education facilities loan and insurance.....	9,746,000	9,746,000	---
	Total, Office of Postsecondary Education.....	14,930,000	183,930,000	+169,000,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
	SPECIAL INSTITUTIONS			
---	American Printing House for the Blind.....	---	200,000	+200,000
---	National Technical Institute for the Deaf.....	---	1,052,000	+1,052,000
---	Gallaudet College.....	---	2,080,000	+2,080,000
97-125	Howard University.....	5,808,000	5,808,000	---
	DEPARTMENTAL MANAGEMENT			
97-206	Office of the Inspector General, salaries and expenses	430,000	430,000	---
	RELATED AGENCIES			
---	Railroad Retirement Board:			
	Dual benefits payments account.....	---	11,000,000	+11,000,000
97-125	Soldiers' and Airmen's Home:			
	Operation and maintenance (trust funds).....	796,000	796,000	---
97-125	Capital outlay (trust funds).....	---	953,000	+953,000
	Total, Chapter IX:			
	New budget (obligational) authority.....	608,475,000	800,154,000	+191,679,000
	(Limitation).....	(42,900,000)	(42,900,000)	---
	(By transfer).....	(1,157,000)	(1,157,000)	---

CHAPTER X

SUBCOMMITTEE ON LEGISLATIVE BRANCH

VIC FAZIO, California, *Chairman*

JOHN M. MURTHA, Pennsylvania
BOB TRAXLER, Michigan
ADAM BENJAMIN, JR., Indiana
NORMAN D. DICKS, Washington

CLAIR W. BURGNER, California
SILVIO O. CONTE, Massachusetts
JERRY LEWIS, California
CARROLL A. CAMPBELL, JR., South
Carolina

LEGISLATIVE BRANCH

Budget estimates submitted in H. Doc. 97-125 and H. Doc. 97-206 request supplemental fiscal year 1982 budget authority of \$43,304,000. The Committee recommends a reduction of \$11,852,675.

The following tabulation shows the amounts requested and allowed by title of the bill.

	Request	Recommended	Difference
Title I, program.....	\$14,366,000	\$7,359,325	-\$7,006,675
Title II, increased pay costs.....	28,938,000	24,092,000	-4,846,000
Total.....	43,304,000	31,451,325	-11,852,675

Conforming to long practice, funds exclusively for operations and activities of the Senate, including Senate items under the jurisdiction of the Architect of the Capitol, are left for decision and insertion by that body.

HOUSE OF REPRESENTATIVES

The Committee recommends a total of \$16,592,325 in additional appropriations for fiscal year 1982 for several House of Representatives activities consisting of \$6,108,325 for program items and \$10,484,000 for the cost of living pay increases granted to employees last fall.

Payment to Widows and Heirs of Deceased Members of Congress.—The bill contains the usual gratuity of one-year's salary to the sister of William Cotter, late a Representative from the State of Connecticut, and the widow of John M. Ashbrook, late a Representative from the State of Ohio.

Contingent Expenses of the House, Allowances and Expenses.—The Committee has allowed a program supplemental request of \$5,987,000 for the official expenses of Members of the House. This supplemental was made necessary pursuant to an official adjustment in the base, travel and furnishing allowances approved by the Committee on House Administration, which became effective on May 1, 1981. The amount allowed is approximately \$2,500,000 less

than the maximum amount that could be expended if the Members chose to fully utilize the allowance increase. Moreover, the entire account is underfunded by almost \$17 million, or 26 percent less than the Members' official expenses allowed under the provisions of 2 U.S.C. 57a.

JOINT ITEMS

Joint Committee on Taxation.—The joint committee had requested funds for their initial payment for a word processing system. Based on testimony given by the Joint Committee during the supplemental appropriation hearings, the \$84,000 request can be absorbed.

ARCHITECT OF THE CAPITOL

Acquisition of property as an addition to the Capitol grounds.—The Committee has denied, without prejudice, the \$4,500,000 requested to complete the purchase of a portion of lot 84, square 693, a few blocks from the U.S. Capitol. A portion of the property has already been acquired with funds provided in P.L. 97-12, the Supplemental Appropriations and Rescission Act, 1981. Legislation has been introduced to authorize the funds necessary to complete the purchase of the balance of the property.

Capitol Power Plant.—The Committee has approved \$1,200,000 of the \$1,500,000 requested for the Capitol power plant based on a 14.5 percent increase in electricity rates and increased electricity usage at the Hart Senate Office Building. The reduction is possible because of more stringent controls being applied on energy consumption.

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Salaries and expenses.—Of the \$84,000 requested, including \$25,000 for GSA space rental charges requested in H. Doc. 97-206, \$51,000 is provided to pay the salaries of the fifth Commissioner of the Copyright Royalty Tribunal, appointed by the President on February 9, 1982, to fill the unexpired term of a resigned Commissioner, and a confidential assistant, and for the increase in annual space rental costs.

GENERAL ACCOUNTING OFFICE

Salaries and expenses.—The Committee has denied the request for \$2,211,000 to bring the General Accounting Office up to a staff year level of 5,100. Recent testimony indicates the GAO is currently operating satisfactorily at a level of less than 5,050, and there seems no pressing need to add additional staff to a stabilizing situation. The Committee will review the staffing again when it considers the fiscal year 1983 budget request.

ADMINISTRATIVE PROVISIONS

Capitol Police Board.—This language authorizes the Capitol Police Board to expend unobligated balances in this account during fiscal year 1982 and fiscal year 1983. This is to continue an orderly

transition in the phasing out of the Metropolitan Police detail, as authorized by P.L. 96-152.

Library of Congress.—Language is recommended to extend the availability of not to exceed \$125,000 originally provided in fiscal year 1980 to the Library of Congress for moving associated with the occupancy of the new James Madison Memorial Building. Delays in the Madison occupancy necessitate a one-year extension of these funds.

INCREASED PAY COSTS

The Committee considered estimates of \$28,938,000 for increased pay costs due to the cost-of-living pay increase of October 1981 and subsequent action on executive salaries. The Committee has approved \$24,092,000, a reduction of \$4,846,000 in new budget authority. The specific amounts are included in the tabulations provided in the section of this report on Title II of the bill.

The Committee notes that through these reductions and the absorption plans of the agencies themselves, the legislative branch has absorbed 27 percent of the amounts necessary to pay for the cost-of-living adjustment. This compares with the absorption rate planned by the Executive Branch of about 14 percent.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
	CHAPTER X			
	LEGISLATIVE BRANCH			
	HOUSE OF REPRESENTATIVES			
	Payments to Widows and Heirs of Deceased Members of Congress			
---	Gratuities, deceased Members.....	---	121,325	+121,325
	Contingent Expenses of the House			
	Allowances and Expenses			
97-125	Official expenses of Members.....	5,987,000	5,987,000	---
	JOINT ITEMS			
	Contingent Expenses of the House			
97-125	Joint Committee on Taxation.....	84,000	---	-84,000
		=====	=====	=====

ARCHITECT OF THE CAPITOL

Capitol Buildings and Grounds

97-125	Acquisition of property as an addition to the Capitol grounds.....	4,500,000	---	-4,500,000
97-125	Capitol Power Plant (operation).....	1,500,000	1,200,000	-300,000
	Total, Capitol buildings and grounds.....	6,000,000	1,200,000	-4,800,000

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97-125	Salaries and expenses.....	84,000	51,000	-33,000
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GENERAL ACCOUNTING OFFICE

97-125	Salaries and expenses.....	2,211,000	---	-2,211,000
	Total, Chapter X:			
	New budget (obligational) authority.....	14,366,000	7,359,325	-7,006,675

CHAPTER XI

SUBCOMMITTEE ON MILITARY CONSTRUCTION

BO GINN, Georgia, *Chairman*

TOM BEVILL, Alabama
W. G. (BILL) HEFNER, North Carolina
JOSEPH P. ADDABBO, New York
CLARENCE D. LONG, Maryland
BILL CHAPPELL, Florida
BILL ALEXANDER, Arkansas

RALPH S. REGULA, Ohio
CLAIR W. BURGNER, California
MICKEY EDWARDS, Oklahoma
TOM LOEFFLER, Texas

SUMMARY OF COMMITTEE ACTION

The Committee recommends supplemental appropriations totaling \$45,000,000 for military construction and family housing and \$9,800,000 for increased pay costs for family housing. This is \$54,800,000 or 25.5 percent of the request of \$214,443,000.

The Committee recommends funding for only those requests that meet the following criteria: (1) urgent in nature, (2) required for use in fiscal year 1982, and (3) fully justified. A discussion of the Committee actions is included below.

PERSIAN GULF CONSTRUCTION PROGRAM

The Committee continues to support the development of capabilities in the Persian Gulf area to assure the continuation of the flow of oil from the region while respecting the sovereignty of foreign states. Last year the Committee recommended and the Congress approved a total of \$440 million to continue the development of facilities in Diego Garcia, Somalia, Kenya, Oman, and Portugal. A total of \$700 million has been provided by the United States in the last two years for these locations. The completion of facilities already planned or under construction will cost an additional \$400 million. This program will provide the U.S. access to six separate airfields and three ports in the immediate Persian Gulf area, as well as providing a large capability for air and sea support from Diego Garcia and Lajes, Portugal.

The Department has also proposed that an additional facility costing \$1 billion for construction and prepositioned equipment be developed at Ras Banas, Egypt. The Congress denied funding for the initial construction in fiscal year 1982 because of the preliminary nature of the development plans. Additionally, the House objected to the development of Ras Banas because of the lack of a country-to-country agreement, program uncertainties, and the need to more closely examine the adequacy of other facilities in the region.

Despite the concerns of the Committee, the Department submitted the identical construction request for Ras Banas as part of the fiscal year 1982 supplemental. The Committee rejects this program

as proposed and has denied the \$104,000,000 requested to initiate construction. Before the Committee will support funding an additional contingency facility in the Persian Gulf area, the Department must develop a reduced plan at either Ras Banas or another location for a truly bare base.

The unresolved issues regarding construction of Ras Banas are detailed below.

High cost. The central concern of the Committee is the high cost for construction of a contingency facility at a location that has both uncertain operating criteria and capabilities. The Egyptian air facility at Ras Banas, Egypt was originally proposed for development as a bare base to support Army staging and resupply. However, the current plan calls for more than 500 separate buildings and improvements to support housing many thousands of Army and Air Force troops, B-52 capability, tactical air support, a substantial amount of prepositioned portable equipment, and a large scale port development.

The best current estimate of its total cost is \$948 million. The accuracy of this estimate is uncertain, although the costs are most likely to rise. The compilation of the cost estimate for Ras Banas was assembled by the Committee from numerous sources in the Department. Apparently at no time had the total costs been developed, compiled, or scrutinized by the Department of Defense. The policy seemingly has been to proceed without concern or even awareness of the magnitude of this investment.

No country-to-country agreement. Country-to-country agreements have been signed by every country involved in the Persian Gulf RDF program except Egypt. The signed agreements are necessary to verify what both the U.S. and the host nation expect from the facility development program. Since there is no country-to-country agreement with Egypt and no prospect of getting one, when, how, and to what extent we can use Ras Banas is uncertain.

Allied support lacking. Neither our NATO allies nor Japan, who import over 70 percent of their oil from the Persian Gulf region, have taken any steps to support facility construction or to develop offsets to the sizeable U.S. investment. In fact, western European countries have recently concluded arrangements to build a natural gas pipeline from the Soviet Union. For the U.S. to increase the magnitude of its present investment at a time when we import less than 10 percent of our oil from the region and when our allies are increasing their reliance on the most likely source of the threat is incongruous.

Operational feasibility. Ras Banas has numerous operational problems, including desert heat, constant wind and potential flooding; difficulty of resupply through the narrow choke points of the Red Sea; uncertainty of early access to the facility; and its distance from likely areas of conflict.

Existing facilities available. Our ability to assure the flow of oil from this region, while maintaining the sovereignty of those states most likely to be directly affected by a contingency, depends heavily on their willingness to allow us access. In planning the facility proposed at Ras Banas, other existing facilities in the Persian Gulf area have not been taken into consideration.

Until these concerns are addressed, the Committee cannot recommend proceeding with construction funding for an additional facility in the Persian Gulf region.

MILITARY CONSTRUCTION, ARMY

The Army requested fiscal year 1982 supplemental funding of \$34,000,000. The Committee deleted the request as specified below.

Ras Banas, Egypt: RDF Facilities. The Committee has denied the Army's request for \$34 million in construction funds for a rear staging base at Ras Banas, Egypt. The Department is to reduce the scope of this project and to follow other recommendations made in the preceding Persian Gulf construction section.

MILITARY CONSTRUCTION, AIR FORCE

The Air Force requested fiscal year 1982 supplemental funding of \$84,400,000. The Committee recommends funding in the amount of \$12,700,000. Specific recommendations are as follows:

Ras Banas, Egypt: RDF Facilities. The Committee has denied the Air Force request for \$67,400,000 in construction funds for Rapid Development Force facilities at Ras Banas, Egypt. The Department is to reduce the scope of this project and to follow other recommendations made in the preceding Persian Gulf construction section.

MacDill AFB, Florida: RDJTF/REDCOM Headquarters. The Committee has deferred the proposed \$17 million headquarters at MacDill AFB. Authorization for the project is included in the recommended House Armed Services Committee bill for fiscal year 1983.

Altus AFB, Oklahoma: Tornado Damage. The Committee has funded in the amount of \$12,700,000 the restoration of buildings damaged by the tornado that struck Altus AFB on May 11, 1982. Although funding was not included in the Department's request, the Committee feels that supplemental funding is appropriate because of the substantial damage created by the tornado and the need to proceed quickly on known damage restoration. Funding is included under the emergency construction Section 302 authority.

FAMILY HOUSING, DEFENSE

The Department requested fiscal year 1982 supplemental funding of \$80,300,000. The Committee recommends funding in the amount of \$32,300,000. Specific recommendations are as follows:

Korean Leasing. The \$4,300,000 requested for Korean leasing has been deleted because of lack of authorization.

Maintenance of Real Property (Army). Of the \$76,000,000 requested for maintenance of real property in Europe, \$45,594,000 is authorized. The Committee has approved \$30,000,000 for this purpose. This is the amount that can be obligated wisely during the remainder of the fiscal year.

Maintenance of Real Property (Air Force). The Committee has added \$2,300,000 to repair family housing units at Altus AFB, Oklahoma, that were severely damaged as a result of a tornado on May 11, 1982.

INCREASED PAY COSTS

FAMILY HOUSING, DEFENSE

The Department requested fiscal year 1982 supplemental funding of \$15,743,000. The Committee has granted funding in the amount of \$9,800,000. The reduction has been made because items such as merit pay, cash awards, increased workyears, and increased compensation for foreign nationals were inappropriately included in the request. In addition, last year the Committee directed the number of manhours expended on the family housing program be reduced. The number, in fact, increased by approximately 1,000 workyears between fiscal year 1981 and fiscal year 1982. The amount provided will be sufficient to cover direct increased pay costs as a result of the federal pay raise. The amount approved is distributed as follows: Army, \$4,000,000; Navy, \$2,423,000; Marine Corps, \$445,000; and Air Force, \$2,932,000.

The Committee recommended supplemental funding of \$9,800,000 for the Department of Defense. The amount recommended includes \$4,000,000 for increased pay costs and military allowances, \$2,423,000 for increased pay costs for other required operations, and \$2,932,000 for increased pay costs for the Air Force.

The Committee believes that the \$9,800,000 supplemental funding for 1982 will be used to continue the operations of the Department of Defense as authorized in House Report 97-100, accompanying the Department of Defense Fiscal Appropriations Bill.

The bill includes provisions to begin the alteration of the boundary between the Florida River and the Coast Guard level in 1979, but has not yet been enacted.

The Committee recommends supplemental funding of \$9,800,000, together with \$130,145,000 by transfer, for operations of the Federal Aviation Administration. The amounts recommended include \$4,000,000 for increased pay costs held in reserve for air traffic controller pay increases, \$2,932,000 for FAA's \$130,145,000 supplemental budget request.

The Committee recommendation includes approval of the budget requests of \$45,000,000 for additional air traffic controller and tower personnel, \$25,000,000 for communication rate increases, and \$9,800,000 for interest on national security charges.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued**

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
CHAPTER XI				
MILITARY CONSTRUCTION				
97-125	Military construction, Army.....	34,000,000	---	-34,000,000
97-125	Military construction, Air Force.....	84,400,000	12,700,000	-71,700,000
	Total, military construction.....	118,400,000	12,700,000	-105,700,000
97-125	Family housing, Defense.....	80,300,000	32,300,000	-48,000,000
	Total, Chapter XI:	198,700,000	45,000,000	-153,700,000
	New budget (obligational) authority.....	198,700,000	45,000,000	-153,700,000

CHAPTER XII

SUBCOMMITTEE ON THE DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES

ADAM BENJAMIN, Jr., Indiana, *Chairman*

WILLIAM LEHMAN, Florida
MARTIN OLAV SABO, Minnesota
LES AuCOIN, Oregon
WILLIAM H. GRAY III, Pennsylvania

LAWRENCE COUGHLIN, Pennsylvania
SILVIO O. CONTE, Massachusetts
JACK EDWARDS, Alabama
CARL D. PURSELL, Michigan

DEPARTMENT OF TRANSPORTATION

COAST GUARD

OPERATING EXPENSES

The Committee recommends approval of the \$30,500,000 supplemental request for operating expenses of the Coast Guard. The amount recommended includes \$16,617,000 for increases in sea pay and military allowances, \$8,383,000 for fuel costs and \$5,500,000 for other required operations.

The Committee intends that the \$17,500,000 provided by H.R. 6685 will be used to continue the operation of the facilities identified in House Report 97-469 accompanying the Urgent Supplemental Appropriations Bill, 1982.

ALTERATION OF BRIDGES

The bill includes an increase of \$3,000,000 over the budget to begin the alteration of the Peoria and Pekin Union Railroad bridge over the Illinois River at Peoria, Illinois. Testimony indicates that the Coast Guard issued an order to alter this bridge on February 1, 1979, but has not yet initiated work on the project.

FEDERAL AVIATION ADMINISTRATION

OPERATIONS

The Committee recommends a supplemental appropriation of \$55,645,000, together with not to exceed \$10,000,000 to be derived by transfer, for operations of the Federal Aviation Administration. The amounts recommended, plus the \$57,500,000 currently being held in reserve for air traffic controller pay increases, would make a total of \$123,145,000 available for the programs identified in FAA's \$130,145,000 supplemental budget request.

The Committee recommendation includes approval of the budget requests of \$48,000,000 for additional overtime for air traffic control center and tower personnel, \$25,200,000 for communications rate increases, and \$9,945,000 for international security charges.

The Committee has added \$20,000,000 to avoid furloughs of FAA personnel during the current fiscal year. In the event that this \$20,000,000 is not required for this purpose, these funds, together with the \$10,000,000 provided by transfer, may be used for pay increases of air traffic controllers if legislation providing for such increases is enacted by the Congress.

Under the Committee recommendation \$10,000,000 of the requested \$47,000,000 would be provided to reimburse the Department of Defense for those controllers temporarily assigned to the FAA. The Committee believes that the additional experience gained by these controllers during their temporary assignment is sufficient to offset the costs to the Department of Defense.

RESEARCH, ENGINEERING AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

The Committee has approved the budget estimate of \$16,000,000 to restore the reduction made to this appropriation by the Continuing Resolution and the Department of Transportation and Related Agencies Appropriation Act, 1982.

At least partly in response to the requirements and recommendations attendant to the Department of Transportation and Related Agencies Appropriations Act, 1981, FAA developed the National Airspace System Plan (NAS Plan), which was completed in December, 1981. In addition, FAA submitted relevant portions of this new plan to the Committee in a separate volume entitled, "Response to Congressional Recommendations Regarding the FAA's En Route Air Traffic Control Computer System".

While the NAS Plan represents a substantial improvement in FAA's overall planning and systems design, evaluations conducted by both the General Accounting Office and the Office of Technology Assessment have identified specific information gaps in the proposed plan. GAO specifically recommended that the "NAS Plan not be viewed as a basis for approving budgetary and implementation actions." The Committee believes that many of the issues or questions raised in these reports should be addressed by the FAA and that this effort should benefit the agency in refining its plan.

FAA has taken the position that it cannot wait any longer and must begin spending for the plan quickly. The agency's sudden sense of urgency, however, does not absolve the Congress or the Committee of its responsibilities, the proper execution of which requires further information and certain assurances from the FAA. Therefore, while approving this supplemental funding, the Committee is not endorsing the NAS Plan nor committing to any future funding of the Plan. Prior to the consideration of future funding for the NAS Plan, the Committee directs the FAA to:

- (1) Document its full compliance with Public Law 89-306 with respect to the proposed computer procurement;
- (2) Fully disclose and document to the Congress the estimated costs for the first five years of the entire National Airspace System Plan to the extent known;
- (3) Make a firm commitment to redesign and rewrite the existing automated air traffic control software, including setting

milestones for its accomplishment, and agree to provide periodic reports to the Congress on the progress in this regard;

(4) Complete and submit to the Congress the planned approach for transition from the existing air traffic control system to the proposed new automated system and agree to provide progressively more detailed information as part of the periodic reports to the Congress;

(5) Show as part of the planning submitted to Congress that the new computer system can be augmented to accommodate increases in aircraft population, new air traffic control software and the higher levels of automation proposed in the National Airspace System Plan; and

(6) Fully disclose to the Congress the approach and methods to be employed in determining which facilities will be closed in any consolidation resulting from implementation of the National Airspace System Plan.

AIRCRAFT PURCHASE LOAN GUARANTEE PROGRAM

(LIMITATION ON NEW LOAN GUARANTEES)

The Committee has not approved the requested language to reduce from \$100,000,000 to \$50,000,000 the extent to which the Secretary of Transportation may provide new Federal Government guarantees of private aircraft loans. The existing \$100,000,000 limitation is \$250,000,000 below the level established for fiscal year 1981 and the Committee believes that a further reduction in this program could adversely affect certain carriers which have made investments on the basis that guaranteed loans would be available in fiscal year 1982.

FEDERAL HIGHWAY ADMINISTRATION

INTERSTATE TRANSFER GRANTS—HIGHWAYS

The Committee recommends an additional \$197,000,000 for highway projects substituted for Interstate Highway segments. The Committee believes that this increased funding is required to make a meaningful reduction in the large balance of unobligated funding authority under this program. As of December 31, 1981, the balance for substitute highway and transit projects totaled \$5,693,587,993, an increase of \$280,043,565 above the balance at the end of calendar year 1980.

Testimony indicates that close to \$1 billion could be used during the current fiscal year for substitute highway projects. The Committee believes the Federal Government has a "good faith" commitment to fund substitute Interstate projects within a reasonable timeframe and is recommending additional funds in an attempt to fulfill that commitment.

The Committee directs that the \$197,000,000 recommended in the bill be allocated as follows:

Albany.....	\$8,000,000
New York	5,000,000
Iowa	1,000,000
Twin Cities Metropolitan Area, Minn	4,200,000
Omaha.....	12,000,000

New Jersey.....	10,000,000
Washington, D.C.....	20,000,000
Philadelphia.....	7,500,000
Hartford-New Britain.....	16,000,000
Minneapolis.....	2,500,000
Northeast Illinois.....	30,000,000
Tucson.....	6,300,000
Denver.....	18,000,000
Oregon.....	14,000,000
Baltimore.....	4,000,000
Duluth.....	3,500,000
Indianapolis.....	15,000,000
Cleveland.....	20,000,000
Total.....	197,000,000

ACCESS HIGHWAYS TO PUBLIC RECREATION AREAS ON CERTAIN LAKES

The bill includes language extending until September 30, 1984, the availability of the fiscal year 1980 appropriation for this program. The Committee also directs that the \$400,000 appropriated in fiscal year 1980 for an access road from Gums Crossing, Miss. to Graysport Crossing, Miss. be applied to an access road beginning at the intersection of the Corps of Engineers' project near Graysport Crossing and running northeasterly to the Yalobusha County line.

RESURFACING, RESTORATION, AND REHABILITATION RULE

The bill includes language in Title II which would prohibit the use of funds for implementing the Federal Highway Administration's final rule for geometric design standards for resurfacing, restoration and rehabilitation of streets and highways other than free-ways. The Committee believes that a temporary freeze on the implementation of this rule is necessary while the Federal Highway Administration addresses the concerns raised by the Committee on Public Works and Transportation. It is the intent of the Committee that such resurfacing, restoration and rehabilitation work continue to be carried out without disruption or delay using the standards and procedures in effect and being utilized by the states immediately prior to July 12, 1982.

FEDERAL RAILROAD ADMINISTRATION

RAIL SERVICE ASSISTANCE

The bill includes \$1,355,000 to liquidate four defaulted loans made under authority granted by the Emergency Rail Services Act of 1970 and Section 215 of the Regional Rail Reorganization Act of 1973. These funds are to liquidate the loan principal only. No funds are provided to pay interest charges to the Department of the Treasury. Technical language is also included making rail service assistance funds available until expended.

The Committee has a deep interest in the Federal Railroad Administration's efforts to plan and develop high speed rail passenger service in the United States. The Committee directs the Federal Railroad Administration to submit a report to the Committees on Appropriations by October 1, 1982, describing all actions and listing all funds expended to date on the planning and/or development of high speed rail passenger service and technology. The Committee

also expects to be notified in writing of all future actions taken by the FRA in this area.

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

The bill includes language enabling Amtrak to purchase approximately 110 miles of Conrail trackage between Cincinnati and Indianapolis. The agreed upon purchase price for this line segment is \$8,400,000, which shall be transferred to this appropriation from the unobligated balances of the United States Railway Association's "Payments for Purchase of Conrail Securities" account.

REDEEMABLE PREFERENCE SHARES

The bill provides \$25,000,000 to purchase redeemable preference shares authorized by Section 505 of the Railroad Revitalization and Regulatory Reform Act of 1976 for the East St. Louis Metropolitan Gateway Project. Of this amount, \$5,000,000 is transferred from the Federal Railroad Administration's "Research and Development" account. It is the Committee's view that the East St. Louis project will provide substantial benefits to the participating private railroads as well as to the local community and the national rail freight network. The Federal Railroad Administration is therefore directed to ensure that the final project agreement provides for substantial financial participation from the private railroads and other private beneficiaries. The Committee will closely monitor development of this project agreement.

The Federal Railroad Administration is also directed to reprogram \$2,500,000 of previously appropriated preference share funds reserved for the Twin Cities-Kansas City Grain Route project to address the deferred maintenance needs of the Hillsdale County Railway Company. The Committee will consider restoration of Grain Route project funds once a viable funding package for the entire project is proposed.

SETTLEMENTS OF RAILROAD LITIGATION

The bill provides \$639,424,275 to liquidate borrowings used to pay additional settlements of the Conrail litigation case. No funds are provided to cover the interest charged the Department of Transportation by the Department of the Treasury.

COMMUTER RAIL SERVICE

The Committee recommends disapproval of the deferral (D82-243) of \$37,500,000 appropriated in fiscal year 1982 for the one-time transition costs of transferring Conrail commuter services to the Commuter Services Corporation or to local transportation authorities. The Committee directs the Department of Transportation to devise a funding strategy which makes these funds available at the time the eligible costs must be paid by the commuter authorities or are otherwise required to ensure a smooth transition.

It is the Committee's strong view that funding provided to the Northeast commuter authorities under this account should be for one-time transition costs only. Such funds should not supplement other sources of funding for day-to-day operations or for capital

needs that would exist in the absence of the Northeast Rail Service Act of 1981. The Committee directs the Department of Transportation to adhere closely to this policy when developing its final recommendation for any increases to the transition assistance authorization.

The bill includes language prohibiting the availability of commuter rail transition funds to pay for the operating losses of commuter authorities. This provision prohibits the use of Federal funds to address the so-called "cash flow" problem of the New York Metropolitan Transportation Authority.

The Committee is also concerned that Conrail has no practical way of assuring that the various commuter agencies will make their monthly continuation payments for the final months of the subsidy periods prior to January 1, 1983. Consequently, the Committee intends that the payment of any transition funding to an agency will be made specifically dependent upon the agency having met its obligations for continuation payments under the various contractual operations with respect to 1982, or having escrowed funds or otherwise assured that those payments will be made in 1983.

The bill also includes an additional \$10,000,000 to fully fund the commuter rail service authorizations contained in 45 U.S.C. 601 and section 1139(b) of Public Law 97-35. If additional funds are deemed necessary to facilitate the transition of commuter service in the Northeast, it is the Committee's intention to make final appropriations for this purpose in the fiscal year 1983 Transportation appropriations bill. Aside from these one-time transition needs, the subsidies for commuter rail systems in the Northeast will receive no special consideration outside of what is afforded to national commuter rail needs through the regular UMTA program.

RAILROAD REHABILITATION AND IMPROVEMENT FINANCING FUNDS

The bill includes language limiting new Section 511 loan guarantees to \$100,000,000 instead of \$135,000,000 as proposed in the budget. The Committee has identified the Section 511 program as a potential means of guaranteeing future private financing arrangements to provide high speed rail passenger service in the United States.

The bill also provides \$24,766,000 to liquidate a promissory note issued to cover a Section 511 loan default of the Rock Island Railroad. No funds are provided to liquidate the interest charged the Department of Transportation by the Department of the Treasury.

RAIL LABOR ASSISTANCE

The bill provides \$9,000,000 by transfer for the payment of the remaining claims for employee protection benefits under Title V of the Regional Rail Reorganization Act of 1973. Title V was repealed by section 1144 of the Northeast Rail Service Act of 1981 effective September 1, 1981. In general, benefits accrued relating to service (or availability for service) prior to that date were to be paid to the extent of appropriated funds. With one exception, claims for benefits were required to be filed within 90 days of repeal. The language of the appropriation is not intended to relax that general re-

quirement. The exception contained in section 1144 relates to claims based on arbitration awards and creates an open-ended situation that could result in the filing of claims over several years. Accordingly, while the bill provides the requisite funds to satisfy pre-September 1, 1981, liabilities and bring the program to a close without any timely claim being left unpaid, it requires that the remaining claims permitted under the authorizing statute (claims based on arbitrations) be filed by the end of the fiscal year in order to be eligible for payment out of the funds provided in the bill. The Committee believes this is a reasonable timeframe which allows Conrail employees sufficient time to file any remaining arbitration claims.

URBAN MASS TRANSPORTATION ADMINISTRATION

URBAN DISCRETIONARY GRANTS

The bill includes an additional \$29,500,000 for discretionary capital grants for urban mass transportation. This amount includes \$14,500,000 for rail modernization and extensions and \$15,000,000 for engineering for the Wilshire Corridor project in Los Angeles. As stated last year, the Committee believes that engineering for the Wilshire project should be completed to provide adequate information to make a rational decision regarding construction of the project. The Committee recommendation is intended to assist Los Angeles in developing this essential information but does not represent a commitment to fund construction of the project.

The metrorail project now under construction in Miami, Fla., was estimated to cost \$866,500,000 when the full funding contract was signed in May, 1976. Since that time a number of factors, particularly inflation, have resulted in cost escalations for the system. It is now estimated to cost \$986,900,000 to complete the metrorail system. The Committee continues to concur with language included in House Report 97-186 that instructed the Urban Mass Transportation Administration (UMTA) to "refrain from making grants to pay for the cost overruns in projects covered by full funding contracts that are in excess of extraordinary costs already provided for in the contract."

The Committee is aware that UMTA and the Metro Dade Authority have been negotiating payment of extraordinary costs permitted under the full funding contract since September, 1981. While the Metro Dade Authority has requested compensation for \$45,000,000 of extraordinary costs permitted under the contract, UMTA to date has agreed that \$10,000,000 to \$15,000,000 of those costs are fully eligible for payment. The Committee therefore directs UMTA to make immediate payment to the Metro Dade Authority for those extraordinary costs that both parties now agree are appropriate and fully justified under the terms and conditions of the full funding contract. The necessary funds for these payments shall be reprogramed from funds already available, in accordance with established procedures for reprogramming.

The Committee reiterates its support, as stated in House Report 97-186, for long-term planning and alternatives analysis for transit programs likely to involve major investments. In addition to the

cities and county mentioned in House Report 97-186 and in House Report 97-331 (i.e., Seattle, Baltimore, San Francisco, Minneapolis, Boston, and Orange County, California), the Committee expects UMTA to give every consideration to Metropolitan Dade County, Florida in funding applications for such planning and analysis.

INTERSTATE TRANSFER GRANTS—TRANSIT

The Committee recommends an additional \$22,000,000 for transit projects substituted for Interstate highway segments. The amount recommended is to be distributed as follows:

Chicago.....	\$5,000,000
Boston	10,000,000
Sacramento	6,500,000
Duluth.....	500,000
Total.....	22,000,000

INCREASED PAY COSTS

The Committee has recommended a number of changes in the budget requests for pay cost increases contained in Title II of the bill. These requests included \$167,821,000 in new budget (obligational) authority, \$2,867,000 in increases in limitations on administrative expenses, and \$373,000 in transfers. The amounts recommended are \$167,475,000 in new budget authority, \$2,538,000 in increased limitations and \$15,023,000 in transfers. These represent reductions of \$346,000 in new budget authority and \$329,000 in limitations, and an increase of \$14,650,000 in transfers.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued**

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
CHAPTER XII				
DEPARTMENT OF TRANSPORTATION				
Coast Guard				
97-125	Operating expenses.....	30,500,000	30,500,000	---
---	Alteration of bridges.....	---	3,000,000	+3,000,000
	Total, Coast Guard.....	30,500,000	33,500,000	+3,000,000
Federal Aviation Administration				
97-125	Operations.....	130,145,000	55,645,000	-74,500,000
97-185	(By transfer).....	---	(10,000,000)	(+10,000,000)
---	Research, engineering and development (Airport and Airway Trust Fund).....	16,000,000	16,000,000	---
97-125	Aircraft purchase loan guarantee program: (Decrease in limitation on new loan suarantees).....	(-50,000,000)	---	(+50,000,000)
	Total, Federal Aviation Administration.....	146,145,000	71,645,000	-74,500,000
Federal Highway Administration				
---	Interstate transfer grants - highways.....	---	197,000,000	+197,000,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
	Federal Railroad Administration			
97-125	Rail service assistance.....	11,948,000	1,355,000	-10,593,000
97-125	Appropriation for debt reduction.....	-11,948,000	-1,355,000	+10,593,000
	Grants to the National Railroad Passenger Corporation (by transfer).....	---	(8,400,000)	(+8,400,000)
	Redeemable preference shares.....	---	20,000,000	+20,000,000
	(By transfer).....	---	(5,000,000)	(+5,000,000)
97-125	Settlements of railroad litigation.....	816,000,000	639,424,275	-176,575,725
97-125	Appropriation for debt reduction.....	-816,000,000	-639,424,275	+176,575,725
	Commuter rail service:			
	(Effect of deferral disapproval).....	---	(37,500,000)	(+37,500,000)
97-171	Appropriation.....	---	10,000,000	+10,000,000
	Railroad rehabilitation and improvement financing funds:			
97-125	Appropriation.....	28,566,000	24,766,000	-3,800,000
97-125	Appropriation for debt reduction.....	-28,566,000	-24,766,000	+3,800,000
97-125	(Decrease in limitations on new loan guarantees),..	(-135,000,000)	(-170,000,000)	(-35,000,000)
	Rail labor assistance (by transfer).....	---	(9,000,000)	(+9,000,000)
	Total, Federal Railroad Administration.....	---	30,000,000	+30,000,000

Urban Mass Transportation Administration

Urban discretionary grants.....	---	29,500,000	+29,500,000
Interstate transfer grants - transit.....	---	22,000,000	+22,000,000

Total, Urban Mass Transportation Administration.	---	51,500,000	+51,500,000
=====			

RELATED AGENCY

Department of the Treasury

Office of the Secretary

Investment in Fund Anticipation Notes.....	---	(25,000,000)	(+25,000,000)
(By transfer).....	---	(5,000,000)	(+5,000,000)
=====			

Total, Chapter XII:

New budget (obligational) authority.....	176,645,000	383,645,000	+207,000,000
(By transfer).....	---	(32,400,000)	(+32,400,000)
(Limitation on guaranteed loans).....	(-185,000,000)	(-170,000,000)	(+15,000,000)
(Effect of deferral disapproval).....	---	(37,500,000)	(+37,500,000)
=====			

CHAPTER XIII

SUBCOMMITTEE ON TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT

EDWARD R. ROYBAL, California, *Chairman*

JOSEPH P. ADDABBO, New York
DANIEL K. AKAKA, Hawaii
SIDNEY R. YATES, Illinois
DAVID R. OBEY, Wisconsin

CLARENCE E. MILLER, Ohio
ELDON RUDD, Arizona
CARROLL A. CAMPBELL, South Carolina

DEPARTMENT OF THE TREASURY

BUREAU OF GOVERNMENT FINANCIAL OPERATIONS

POSTAL SAVINGS SYSTEM LIQUIDATION

The Committee recommends an appropriation of \$200,000, the full amount of the budget request.

On July 1, 1967, the unpaid deposits of the Postal Savings System were transferred to the Secretary of the Treasury for liquidation. A total of \$65.1 million, including principal and accrued interest on deposits, was transferred as of June 30, 1970. Of this amount, \$59.1 million has been paid out through August 31, 1981, in claims for payment by or on behalf of depositors to the System. Pursuant to Public Law 92-117 approved August 13, 1971, additional pro rata payments of \$6 million, representing unclaimed deposits, were made to the states and other jurisdictions in 1971 and 1972. This law authorized the appropriation without fiscal year limitation of additional funds as necessary for payment of depositor claims. As of August 31, 1981, there remained 467,204 unclaimed accounts. Payments for fiscal years 1977 through 1981 have averaged approximately \$200,000 annually, leaving a balance in the deposit account of \$36,505.24.

There is currently no statute of limitations on claims on these unpaid deposits. The Committee directs the Treasury to submit to the Congress proposed legislation which would provide for the establishment of a fair and just statute of limitations which protects both the rights of the claimants and of the U.S. Government.

PAYMENT TO CITY OF FAIRFAX, VIRGINIA

The Committee recommends an appropriation of \$41,958.78 to be paid to the City of Fairfax, Virginia, pursuant to authorization contained in Public Law 96-559, approved December 22, 1980.

The purpose of this appropriation is to reimburse the City of Fairfax, Virginia for expenses incurred in a legal action resulting from Fairfax City's participation with Federal agents in a surveillance operation in 1971. The operatives in this case later sued the City of Fairfax and the Federal Government.

The amount recommended will reimburse the City of Fairfax in full for expenses of the legal action.

INTERNAL REVENUE SERVICE

SALARIES AND EXPENSES

The Committee recommends an appropriation of \$8,084,000, the full amount of the budget request.

This appropriation account provides for overall planning and direction of the Internal Revenue Service, for management of the Service's support programs, for legal counsel and assistance, for development of tax forms, instructions, and guides, and for internal audit and internal security.

The Service currently has a backlog of nearly two years of tax litigation workload. This lengthy delay in resolving cases in controversy has created a bottleneck in the tax enforcement system. The resources recommended will enable the Service to begin dealing with this bottleneck and thus improve the efficiency and effectiveness of tax administration.

The Committee allows an increase of \$7,000,000 to reduce tax litigation backlogs. The Committee allows the 170 average positions associated with this effort. The Committee also allows \$1,084,000 for increased postage and telecommunications costs.

TAXPAYER SERVICE AND RETURNS PROCESSING

The Committee recommends an appropriation of \$77,232,000, a reduction of \$1,000,000 below the budget request of \$78,232,000.

This appropriation account provides for processing tax returns and related documents, and maintaining accurate, current taxpayer accounts by means of an automated system. It also provides for taxpayer assistance and for statistical reporting responsibilities of the Internal Revenue Service.

The Service is proposing to accelerate several ADP initiatives in support of front line tax enforcement programs. The primary benefits are increased productivity and speeding up the collection of tax dollars. These benefits are accomplished by improving the efficiency of the Service's operations and reducing the volume of paperwork required. The total amount requested for these two initiatives is \$6,400,000 and 85 average positions.

The Committee has reduced the appropriation request by \$1,000,000 and 30 average positions solely because the supplemental funding included in the accompanying bill will not become available until later than the Service anticipated.

The Committee allows the \$20,847,000 requested for increased postage and telecommunications costs. The Committee also allows \$51,000,000 for Payment of Unemployment Compensation for Federal Employees.

The Omnibus Reconciliation Act amended the Unemployment Compensation for Federal Employees law by requiring each Federal agency to contribute from its appropriated funds to a special trust fund account from which States are reimbursed for unemployment compensation paid to former Federal employees for Fed-

eral service performed after December 31, 1980. Funds for this purpose were formerly appropriated to a single account in the Labor-HHS Appropriation.

The rationale for this change in procedure was that each Federal agency should have the same incentive for avoiding unnecessary employee turnover and for monitoring the claims for unemployment benefits as private employers whose unemployment tax rate is based on the relative amount of unemployment they generate. These costs would make each agency more aware of the need to monitor, and in appropriate cases, contest benefit claims of former employees in order to avoid excessive costs of Federal unemployment compensation.

IRS is an agency that relies heavily on a seasonal workforce. The Service is responsible for the processing of more than 140 million tax returns, issuing an estimated 73.6 million tax refunds, and accounting for more than \$650 billion for revenue collections and tax deposits in order to maintain the flow of revenue into the Treasury. This workload does not flow evenly but is concentrated during the filing season. The efficient and timely accomplishment of this work requires a large seasonal workforce, about 25,000 employees. Because so many of these seasonal employees are needed for only about one half of the year, IRS's unemployment compensation costs are high. The Committee notes that the Service has included funding for unemployment compensation in the 1983 budget.

EXAMINATIONS AND APPEALS

The Committee recommends an appropriation of \$15,563,000, the full amount of the budget request.

This appropriation account provides for the examination of tax returns and the administrative settlement of taxpayer appeals of examination findings.

This amount recommended in this supplemental provides funding for hiring additional personnel. The fiscal year 1983 budget request includes a proposal designed to restore and maintain an adequate level of voluntary compliance while at the same time attempting to close the current tax gap estimated to be more than \$70 billion. In order to achieve this goal the Service requires that the new enforcement personnel be productive as soon as possible. By hiring over half of the proposed increase for fiscal year 1983 in late fiscal year 1982, the Service will be able to take advantage of the spring college graduates, thus assuring a larger pool of better qualified candidates and placing the Service in a more competitive position with other potential employers.

The Committee allows the \$7,464,000 requested for increased postage and telecommunications costs.

INVESTIGATION AND COLLECTIONS

The Committee recommends an appropriation of \$19,121,000, a reduction of \$2,483,000 below the budget request of \$21,604,000.

This appropriation account provides for enforcing statutes relating to detection and investigation of criminal violations of the internal revenue laws, collecting unpaid accounts, securing unfiled tax returns and payments, monitoring employee pension plans, de-

termining qualifications of organizations seeking tax exempt status, and examining tax returns of exempt organizations.

The fiscal year 1983 budget request includes a proposal designed to restore and maintain an adequate level of voluntary compliance while at the same time attempting to close the current tax gap estimated to be more than \$70 billion. In order to achieve this goal, the Service requires that the new enforcement personnel be productive as soon as possible. By hiring over half of the proposed increase for fiscal year 1983 in late fiscal year 1982, the Service will be able to take advantage of the spring college graduates, thus assuring a larger pool of better qualified candidates and placing the Service in a more competitive position with other potential employers. Also, since the average entry on duty would begin in fiscal year 1982, these recruits would begin their training during the fourth quarter of fiscal year 1982 and start fiscal year 1983 as productive staff. The Committee has reduced the appropriation request by \$2,483,000 and 100 average positions solely because the supplemental funding included in the accompanying bill will not become available until later than the Service anticipated.

The Committee allows the \$6,300,000 requested for overtime to reduce the backlogs of unpaid taxes. The backlog of delinquent tax accounts has grown to an unacceptably high level the past few years. The total accounts receivable, including first notices, are now over \$20 billion. In order to reduce this large backlog the Service is allowed funds to work the equivalent of 250 average positions of overtime.

The Committee allows the \$4,588,000 requested for increased postage and telecommunications costs.

U.S. SECRET SERVICE

SALARIES AND EXPENSES

The Committee recommends an appropriation of \$7,080,000 in supplemental funding for Fiscal Year 1982, a reduction of \$5,692,000 below the budget request.

In making these allowances, the Committee took into account the fact that these funds will probably not be available to the Department before mid-August at the earliest and will therefore not be available for obligation for more than about six weeks during the remainder of this fiscal year. In addition, some of the items represent new programs about which the Committee had not been fully informed and should not be initiated in a supplemental. The Committee would be willing to consider these new programs in the regular bill for fiscal year 1983 if they are requested and the Committee is fully informed concerning the Department's plans. In making these allowances, the Committee directs that the funds provided for this account be used solely for the purposes for which requested and for no other purpose. It is requested that the Committee be provided a report on the use of these funds shortly after the close of the fiscal year.

The recommendations of the Committee are outlined below:

The Committee has provided full funding for protective travel (\$4,662,000); dignitary protection seminars (\$176,000); the White

House Complex Security System (\$507,000); for the 37 additional positions to alleviate overtime (\$135,000).

The Committee provided \$1,000,000 for scheduled overtime (a reduction of \$467,000); \$400,000 for repair, replacement and maintenance of vehicles (a reduction of \$400,000); and \$200,000 for behavioral research training (a reduction of \$92,000).

The Committee denies in their entirety the following items and requests the Department to fully brief the Committee on the needs and justification for these items if they are to be considered in connection with the fiscal year 1983 budget: the alarm and video support and laser training system; armored vehicles; expansion of the secure voice telephone system; expansion of the Beltsville, Maryland, training facility, the 37 positions requested for a change in the security system at the New Executive Office Building; and the \$1,500,000 requested for additional standard level user charges (SLUC) payments to the General Services Administration.

In connection with the request for additional SLUC funds, the Department testified before the Committee that no additional space was occupied and no additional work was requested from the General Services Administration to justify these additional funds. Under law, GSA is not permitted to increase SLUC rates during a fiscal year and GSA has informed the Committee that the rates for space occupied by the Secret Service have not been increased. The Committee directs the Department and GSA to develop a better working relationship to preclude problems of this nature.

ADMINISTRATIVE PROVISION

SALARY ALLOTMENT SERVICE CHARGES

The Committee has inserted in the bill an administrative provision which prohibits the Department of the Treasury from modifying service charges for allotments of pay for the savings accounts of Federal civilian employees.

Under the authority of 31 U.S.C. 492, financial organizations are assessed a service charge for allotments of pay for the savings accounts of Federal civilian employees. The service charges were established in 1968, at the same time Federal civilian employees were granted an entitlement to allotments from their pay. The service charges were intended to ensure that multiple allotments would not create an undue cost to the Government. The Service charges are to reimburse agencies for the additional costs associated with making additional allotments, that is, allotments beyond an employee's principal salary check. The rates are set by the Secretary in regulation. Since 1968, the service charges have been six cents per payroll deduction and twelve cents per remittance.

The Bureau of Government Financial Operations has announced that in the near future the service charge rates would be raised to twelve cents for each deduction and twenty-seven cents for each remittance.

The Committee is opposed to this increase in charges and directs the Treasury Department not to implement them. The Committee notes that the House has already passed a bill (H.R. 4703) which

would prohibit Treasury from implementing the proposed rate increase.

U.S. POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

The Committee recommends an appropriation of \$20,000,000 for payment to the Postal Service Fund for revenue forgone. This appropriation supplements the \$42,000,000 contained in the Urgent Supplemental Appropriations Act recently enacted and is for the same purpose—to enable the Postal Service to permit preferred rate mailers to continue to mail at step 13 of the 16 year phasing schedule established pursuant to the Postal Reorganization Act, as amended.

These funds together with the funds provided in the Urgent Supplemental Appropriations Act will permit certain non-profit organizations to continue to mail at step 13 through the remainder of fiscal year 1982.

RESCISSION

The Committee recommends a rescission of \$208,660,000 of the funds previously appropriated for the public service subsidy, a reduction of \$6,570,000 below the rescission proposed by the Administration.

The Postmaster General appeared before the Committee and stated that the rescission would have no effect on the services that the Postal Service provides to the public, that it will not raise the rates of non-profit mailers, that it would have no major impact on the Postal Service itself and that there would be no reduction in force programs as a result. The Postmaster General stated:

“We will redouble the ongoing efforts to achieve every possible saving through improvements in productivity. To the extent we should fall short of offsetting the reductions in appropriations, it is possible that the next overall postal rate adjustment would have to be advanced by perhaps a couple of weeks.”

He indicated that the next general increase in postal rates will not occur before November, 1983. The Postmaster General further informed the Committee that estimated revenues in fiscal year 1982 will exceed costs by more than \$200 million even if the rescission is enacted. Lower than anticipated inflation and energy costs have resulted in net revenues that are higher than originally anticipated.

The Committee recognizes that no rescission of this magnitude is totally without impact. The testimony of the Postmaster General, however, indicates that in this case it will be minimal. The revenue to the Postal Service in fiscal year 1982 is estimated to be in excess of \$20 billion, so the proposed rescission represents a reduction of less than one percent.

The Committee points out that this rescission will have no impact whatsoever on the postal rates for preferred rate mailers and non-profit organizations under the phasing schedule established pursuant to the Postal Reorganization Act, as amended. The

funds being rescinded impact solely on the public service subsidy authorized by the Postal Reorganization Act.

INDEPENDENT AGENCIES

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

(Limitation on availability of revenue)

The Committee recommends an increase in the limitation on availability of revenue of \$857,000, the full amount of the budget request.

The \$857,000 increase for Construction and Acquisition of Facilities is for the payment of eight deficiency judgments and associated support costs. These support costs represent the cost of the technical expertise required for the development of supporting background material necessary to defend the Government against the claim.

A project in Juneau, Alaska, was funded entirely by appropriated funds; the design and management and inspection costs of projects in Fort Lauderdale, Florida, and Jackson, Mississippi, were funded by appropriated funds, while site and construction costs for these two projects were funded by Purchase Contract Indenture funds.

OFFICE OF PERSONNEL MANAGEMENT

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

The Committee recommends an appropriation of \$303,806,000, the full amount of the budget request.

This supplemental is to meet the Government's obligation under 5 USC 8906(g) which provides that the Government contribution for annuitant health benefits shall be paid from annual appropriations made for that purpose. The need for supplemental resources is the result of two factors: (1) unusually high retirement and retirement claims processing levels in 1981, causing unanticipated growth in the covered population, and (2) higher than expected increases in the overall cost of the health benefits program and the rate of the Government contribution toward annuitant health benefits in 1982. The aggregate amount of the Government payment is a function of the covered population and the Government contribution rate for the covered population.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

The Committee recommends an appropriation of \$303,257,000, the full amount of the budget request.

This supplemental provides for mandatory payments to the Civil Service Retirement and Disability Fund. Under the provisions of the Civil Service Retirement Amendments of 1969, unfunded liability generated by new statutes must be financed in 30 equal annual installments, with the first payment due as of the end of the fiscal

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued**

TITLE I—GENERAL SUPPLEMENTALS—Continued

H. Doc.	Department or activity	Budget estimates	Recommended in the bill	Bill compared with estimates
CHAPTER XIII				
DEPARTMENT OF THE TREASURY				
97-125	Bureau of Government Financial Operations:			
	Postal savings system liquidation.....	200,000	200,000	---
---	Payment to the city of Fairfax, Virginia.....	---	41,959	+41,959
		=====	=====	=====
97-125	Internal Revenue Service:			
	Salaries and expenses.....	8,084,000	8,084,000	---
97-125	Taxpayer service and returns processing.....	78,232,000	77,232,000	-1,000,000
97-125	Examinations and appeals.....	15,563,000	15,563,000	---
97-125	Investigations and collections.....	21,604,000	19,121,000	-2,483,000
		-----	-----	-----
	Total, Internal Revenue Service.....	123,483,000	120,000,000	-3,483,000
		=====	=====	=====
97-201	United States Secret Service: Salaries and expenses...	12,772,000	7,080,000	-5,692,000

TITLE II

INCREASED PAY COSTS, FISCAL YEAR 1982

Title II provides amounts to meet increased pay costs for fiscal year 1982. The estimates are included in House Documents 97-125 and 97-168. The following table summarizes recommendations of the Committee for pay cost increases in the bill:

	Estimates	Recommended in the bill	Differences
New budget (obligational) authority.....	\$6,193,568,000	\$6,187,205,640	-\$6,362,360
(By transfer).....	(129,006,000)	(164,846,000)	(+135,840,000)
(Increase in limitations).....	(79,559,000)	(78,500,000)	(-1,059,000)
(Trust fund transfer).....	(5,603,000)	(5,603,000)	
(Transfer from Commodity Credit Corporation).....	(5,681,000)	(5,681,000)	

Title II includes \$6,187,205,640 in budget authority for fiscal 1982. Government agencies and departments absorbed 13.7 percent of pay and related cost for fiscal 1982. The Appropriations Committee has recommended reductions of \$6,362,360 under the budget requests which result in about 14 percent absorption of the total cost of pay raises.

The increases provided in Title II were ordered pursuant to law, as follows:

Civilian and military pay raises effective in October 1981 under Executive Order No. 12330 and comparable raises granted by administrative action. Executive Order No. 12330 was issued pursuant to the following Public Laws:

Public Law 91-656 provides for adjusting the salary scales of civilian statutory pay systems to rates comparable to those paid for similar work in private industry.

Public Law 97-60 provides for a 14.3 percent military pay raise effective October 1, 1981.

Public Law 94-82 provides for adjustments in salaries for employees under Executive, Legislative, and Judicial schedules.

Public Law 97-35 (section 1701) provides for a 4.8 percent pay cap for general schedule and wage board pay increases.

Actual wage board pay increases effective in fiscal year 1982 and granted under 5 U.S.C. 5341, together with additional raises to be granted under the same authority through September 30, 1982.

The total estimated cost of these pay raises is \$7.2 billion in fiscal 1982. This amount includes related costs such as Government retirement and life insurance contributions and the Government's share of employment taxes in the amount of \$548.8 million.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL
TITLE II—INCREASED PAY COSTS**

H. Doc.	Department or activity	Supplemental estimate	Recommended in bill	Bill compared with estimates
TITLE II				
INCREASED PAY COSTS				
LEGISLATIVE BRANCH				
HOUSE OF REPRESENTATIVES				
97-125	House leadership offices.....	141,000	141,000	---
97-125	Salaries, officers and employees.....	1,651,000	1,651,000	---
97-125	Committee employees.....	1,955,000	1,955,000	---
97-125	Committee on Appropriations (Studies and Investigations).....	16,000	16,000	---
97-125	Office of the Legislative Counsel.....	137,000	137,000	---
97-125	Office of the Law Revision Counsel.....	29,000	29,000	---
97-125	Members' clerk hire.....	4,902,000	4,902,000	---
97-125	Allowances and expenses.....	1,279,000	1,279,000	---
97-125	Special and select committees.....	374,000	374,000	---
Total, House of Representatives.....		10,484,000	10,484,000	-----

RECOMMENDED IN THE BILL (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE II—INCREASED PAY COSTS—Continued

H. Doc.	Department or activity	Supplemental estimate	Recommended in bill	Bill compared with estimates
	JOINT ITEMS			
97-125	Joint Economic Committee.....	55,000	55,000	---
97-125	Joint Committee on Taxation.....	169,000	169,000	---
97-125	Education of Pages.....	11,000	11,000	---
	Total, Joint Items.....	235,000	235,000	---
	OFFICE OF TECHNOLOGY ASSESSMENT			
97-125	Salaries and expenses.....	250,000	250,000	---
	CONGRESSIONAL BUDGET OFFICE			
97-125	Salaries and expenses.....	408,000	358,000	-50,000
	ARCHITECT OF THE CAPITOL			
97-125	Office of the Architect of the Capitol: Salaries.....	187,000	137,000	-50,000
97-125	Capitol buildings.....	230,000	230,000	---
97-125	Capitol grounds.....	74,000	50,000	-24,000
97-125	House office buildings.....	568,000	200,000	-368,000
97-125	Capitol Power Plant.....	106,000	106,000	---
97-125	Structural and mechanical care, Library buildings and grounds.....	138,000	70,000	-68,000
	Total, Architect of the Capitol.....	1,303,000	793,000	-510,000

BOTANIC GARDEN

97-125 Salaries and expenses..... 56,000 40,000 -16,000

LIBRARY OF CONGRESS

97-125 Salaries and expenses..... 4,224,000 3,187,000 -1,037,000
 97-125 Copyright Office: Salaries and expenses..... 630,000 504,000 -126,000
 97-125 Congressional Research Service: Salaries and expenses. 1,605,000 1,605,000 ---
 Books for the blind and physically handicapped:
 97-125 Salaries and expenses..... 163,000 --- -163,000
 97-125 Collection and distribution of library materials
 (special foreign currency program)..... 16,000 --- -16,000

Total, Library of Congress..... 6,638,000 5,296,000 -1,342,000

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97-125 Salaries and expenses..... 36,000 36,000 ---

GENERAL ACCOUNTING OFFICE

97-125 Salaries and expenses..... 9,225,000 6,700,000 -2,525,000

GOVERNMENT PRINTING OFFICE

97-125 Office of Superintendent of Documents: Salaries and expenses..... 303,000 --- -303,000
 Total, Legislative Branch..... 28,938,000 24,192,000 -4,746,000

AMOUNTS REPORTED IN THIS BILL - CONTINUED
 COMPTROLLER GENERAL OF THE UNITED STATES

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued**

TITLE II—INCREASED PAY COSTS—Continued

H. Doc.	Department or activity	Supplemental estimate	Recommended in bill	Bill compared with estimates
	THE JUDICIARY			
	SUPREME COURT OF THE UNITED STATES			
97-125	Salaries and expenses.....	427,000	427,000	---
97-125	Care of the building and grounds.....	32,000	---	-32,000
	Total, Supreme Court of the United States.....	459,000	427,000	-32,000
	COURT OF CUSTOMS AND PATENT APPEALS			
97-125	Salaries and expenses.....	58,000	58,000	---
	UNITED STATES COURT OF INTERNATIONAL TRADE			
97-125	Salaries and expenses.....	166,000	86,000	-80,000
	COURT OF CLAIMS			
97-125	Salaries and expenses.....	270,000	270,000	---

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER
JUDICIAL SERVICES

97-125	Salaries of judges.....	2,850,000	2,850,000	---
---	(By transfer).....	---	(50,000)	(+50,000)
97-125	Salaries of supporting personnel.....	12,900,000	2,400,000	-10,500,000
---	(By transfer).....	---	(10,500,000)	(+10,500,000)
97-125	Defender services.....	670,000	670,000	---
97-125	Bankruptcy courts, salaries and expenses.....	3,500,000	3,500,000	---
		-----	-----	-----
	Total, Courts of Appeals, District Courts, and other Judicial Services.....	19,920,000	9,420,000	-10,500,000
		=====	=====	=====

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

97-125	Salaries and expenses.....	750,000	750,000	---
		=====	=====	=====
	FEDERAL JUDICIAL CENTER			
97-125	Salaries and expenses.....	170,000	170,000	---
		=====	=====	=====
	Total, The Judiciary.....	21,793,000	11,181,000	-10,612,000
		=====	=====	=====

EXECUTIVE OFFICE OF THE PRESIDENT

	White House Office:			
97-168	Salaries and expenses.....	775,000	775,000	---
	Executive Residence at the White House:			
97-168	Operating expenses.....	143,000	122,980	-20,020
	Special Assistance to the President:			
97-168	Salaries and expenses.....	56,000	48,160	-7,840
	Council of Economic Advisers:			
97-168	Salaries and expenses.....	37,000	31,820	-5,180
		=====	=====	=====

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE II—INCREASED PAY COSTS—Continued

H. Doc.	Department or activity	Supplemental estimate	Recommended in bill	Bill compared with estimates
97-168	Council on Environmental Quality and Office of Environmental Quality:			
	Council on Environmental Quality and Office of Environmental Quality.....	17,000	17,000	---
97-168	Office of Policy Development:			
	Salaries and expenses.....	121,000	104,060	-16,940
97-168	National Security Council:			
	Salaries and expenses.....	233,000	200,380	-32,620
97-168	Office of Administration:			
	Salaries and expenses.....	221,000	190,060	-30,940
		=====	=====	=====
97-168	Office of Management and Budget:			
	Salaries and expenses.....	1,677,000	1,422,220	-254,780
97-168	Office of Federal Procurement Policy: Salaries and expenses.....	86,000	73,960	-12,040
		-----	-----	-----
	Total, Office of Management and Budget.....	1,763,000	1,496,180	-266,820
		=====	=====	=====
97-168	Office of Science and Technology Policy:			
	Salaries and expenses.....	64,000	---	-64,000
97-168	Office of the United States Trade Representative:			
	Salaries and expenses.....	188,000	188,000	---
		=====	=====	=====
	Total, Executive Office of the President.....	3,618,000	3,173,640	-444,360
		=====	=====	=====

DEPARTMENT OF AGRICULTURE

97-168	Office of the Secretary.....	284,000	284,000	---
97-168	Departmental administration.....	550,000	550,000	---
97-168	Office of the Inspector General.....	693,000	693,000	---
97-168	(Transfer from food stamp program).....	(385,000)	(385,000)	---
97-168	Office of the General Counsel.....	441,000	441,000	---
97-168	World agricultural outlook board.....	69,000	69,000	---
97-168	Foreign Agricultural Service.....	542,000	542,000	---
97-168	Agricultural Stabilization and Conservation Service:			
97-168	Salaries and expenses.....	1,077,000	1,077,000	---
97-168	(Transfer from Commodity Credit Corporation)....	(5,681,000)	(5,681,000)	---
97-168	Rural Electrification Administration:			
97-168	Salaries and expenses.....	600,000	600,000	---
97-168	Farmers Home Administration:			
97-168	Salaries and expenses.....	5,092,000	5,092,000	---
97-168	Soil Conservation Service:			
97-168	Conservation operations (by transfer).....	(7,849,000)	(7,849,000)	---
97-168	River basin surveys and investigations (by transfer).....	(618,000)	(618,000)	---
97-168	Watershed planning (by transfer).....	(355,000)	(355,000)	---
---	Watershed and flood prevention operations.....	---	2,000,000	+2,000,000
---	Resource conservation and development.....	---	500,000	+500,000
97-168	Animal and Plant Health Inspection Service.....	4,585,000	4,585,000	---
97-168	Agricultural Marketing Service:			
97-168	Marketing services.....	800,000	800,000	---
97-168	Funds for strengthening markets, income and supply (sec. 32) (increase in limitation).....	(190,000)	(190,000)	---
97-168	Food Safety and Inspection Service:			
97-168	Salaries and expenses.....	10,022,000	10,022,000	---
97-168	Packers and Stockyards Administration:			
97-168	Salaries and expenses.....	377,000	377,000	---

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COMBINATION OF THE BUDGET OF THE DEPARTMENT OF AGRICULTURE FOR FISCAL YEAR 1978

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE II—INCREASED PAY COSTS—Continued

H. Doc.	Department or activity	Supplemental estimate	Recommended bill	Bill compared with estimates
	Forest Service:			
97-168	Forest research.....	1,753,000	1,753,000	---
97-168	State and private forestry.....	486,000	486,000	---
97-168	National forest system.....	16,813,000	18,813,000	+2,000,000
97-168	Construction and land acquisition.....	3,598,000	3,598,000	---
	Total, Forest Service.....	22,650,000	24,650,000	+2,000,000
	Total, Department of Agriculture.....	47,782,000	52,282,000	+4,500,000
	(By transfer).....	(9,207,000)	(9,207,000)	---
	(Transfer from Commodity Credit Corporation)	(5,681,000)	(5,681,000)	---
	(Increase in limitation).....	(190,000)	(190,000)	---
	DEPARTMENT OF COMMERCE			
	General Administration:			
97-168	Salaries and expenses (by transfer).....	(1,467,000)	(1,467,000)	---
	Bureau of the Census:			
97-168	Salaries and expenses (by transfer).....	(2,200,000)	(2,200,000)	---
	Economic and Statistical Analysis:			
97-168	Salaries and expenses (by transfer).....	(1,295,000)	(1,295,000)	---
	National Oceanic and Atmospheric Administration:			
---	Operations, research, and facilities.....	---	20,000,000	+20,000,000
	Patent and Trademark Office:			
97-168	Salaries and expenses.....	3,874,000	3,874,000	---
	Total, Department of Commerce.....	3,874,000	23,874,000	+20,000,000
	(By transfer).....	(4,962,000)	(4,962,000)	---

DEPARTMENT OF DEFENSE--MILITARY

MILITARY PERSONNEL

97-168	Military personnel, Army.....	1,476,573,000	1,476,573,000	---
97-168	Military personnel, Navy.....	1,073,144,000	1,073,144,000	---
97-168	Military personnel, Marine Corps.....	316,634,000	316,634,000	---
97-168	Military personnel, Air Force.....	1,244,286,000	1,202,558,000	-41,728,000
97-168	Reserve personnel, Army.....	104,800,000	104,800,000	---
97-168	Reserve personnel, Navy.....	28,230,000	28,230,000	---
97-168	Reserve personnel, Marine Corps.....	12,880,000	12,880,000	---
97-168	Reserve personnel, Air Force.....	32,403,000	32,403,000	---
97-168	National Guard personnel, Army.....	162,300,000	162,300,000	---
97-168	National Guard personnel, Air Force.....	54,033,000	54,033,000	---
	Total, Military Personnel.....	4,505,283,000	4,463,555,000	-41,728,000

OPERATION AND MAINTENANCE

97-168	Operation and maintenance, Army.....	245,000,000	234,500,000	-10,500,000
97-168	Operation and maintenance, Navy.....	238,400,000	238,400,000	---
97-168	Operation and maintenance, Marine Corps.....	12,700,000	12,700,000	---
97-168	Operation and maintenance, Air Force.....	162,500,000	67,300,000	-95,200,000
---	(Transfer from other accounts).....	---	(95,200,000)	(+95,200,000)
97-168	Operation and maintenance, Defense agencies.....	145,800,000	144,800,000	-1,000,000
97-168	Operation and maintenance, Army Reserve.....	11,611,000	11,211,000	-400,000
97-168	Operation and maintenance, Navy Reserve.....	3,247,000	3,247,000	---
97-168	Operation and maintenance, Marine Corps Reserve.....	145,000	145,000	---
97-168	Operation and maintenance, Air Force Reserve.....	9,500,000	9,500,000	---
97-168	Operation and maintenance, Army National Guard.....	20,947,000	20,247,000	-700,000
97-168	Operation and maintenance, Air National Guard.....	23,400,000	23,400,000	---
	National Board for the Promotion of Rifle Practice, Army.....	16,000	16,000	---
97-168	Court of Military Appeals, Defense.....	93,000	93,000	---
	Total, Operation and Maintenance.....	873,359,000	765,559,000	-107,800,000
	(Transfer from other accounts).....	---	(95,200,000)	(+95,200,000)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued**

TITLE II—INCREASED PAY COSTS—Continued

H. Doc.	Department or activity	Supplemental estimate	Recommended in bill	Bill compared with estimates
FAMILY HOUSING, DEFENSE				
97-168	Family housing, Defense.....	15,743,000	9,800,000	-5,943,000
		=====	=====	=====
	Total, Department of Defense--Military.....	5,394,385,000	5,238,914,000	-155,471,000
	(Transfer from other accounts).....	---	(95,200,000)	(+95,200,000)
		=====	=====	=====
DEPARTMENT OF DEFENSE--CIVIL				
DEPARTMENT OF THE ARMY				
CORPS OF ENGINEERS - CIVIL				
---	Construction, general.....	---	13,000,000	+13,000,000
---	Operation and maintenance, general.....	---	17,000,000	+17,000,000
97-168	(By transfer).....	(17,000,000)	---	(-17,000,000)
---	General expenses.....	---	5,000,000	+5,000,000
97-168	(By transfer).....	(5,000,000)	---	(-5,000,000)
		=====	=====	=====
	Total, Corps of Engineers, Civil.....	---	35,000,000	+35,000,000
	(By transfer).....	(22,000,000)	---	(-22,000,000)
		=====	=====	=====
CEMETERIAL EXPENSES, ARMY				
97-168	Salaries and expenses.....	79,000	79,000	---

SOLDIERS' AND AIRMEN'S HOME

97-168	Operation and maintenance.....	753,000	753,000	---
	Total, Department of Defense--Civil.....	832,000	35,832,000	+35,000,000

DEPARTMENT OF EDUCATION

Departmental Management:				
97-168	Salaries and expenses.....	4,676,000	4,676,000	---
	Office of the Inspector General:			
97-168	Salaries and expenses.....	559,000	559,000	---
	Total, Department of Education.....	5,235,000	5,235,000	---

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

97-168	Salaries and expenses.....	10,300,000	10,300,000	---
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HEALTH SERVICES ADMINISTRATION

97-168	Indian health services.....	6,600,000	18,160,000	+11,560,000
97-168	(By transfer).....	(11,560,000)	---	(-11,560,000)

CENTERS FOR DISEASE CONTROL

97-168	Preventive health services.....	4,832,000	4,832,000	---
97-168	(By transfer).....	(2,300,000)	(2,300,000)	---

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued**

TITLE II—INCREASED PAY COSTS —Continued

H. Doc.	Department or activity	Supplemental estimate	Recommended in bill	Bill compared with estimates
NATIONAL INSTITUTES OF HEALTH				
97-168	National Library of Medicine.....	633,000	633,000	---
97-168	Office of the Director.....	1,056,000	1,056,000	---
	Total, National Institutes of Health.....	1,689,000	1,689,000	---
ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION				
97-168	Saint Elizabeths Hospital.....	1,000,000	1,000,000	---
97-168	(By transfer).....	(3,454,000)	(3,454,000)	---
ASSISTANT SECRETARY FOR HEALTH				
97-168	Salaries and expenses.....	2,858,000	2,858,000	---
HEALTH CARE FINANCING ADMINISTRATION				
97-168	Program management.....	3,260,000	3,260,000	---
97-168	(Limitation on trust fund transfer).....	(4,800,000)	(4,800,000)	---

SOCIAL SECURITY ADMINISTRATION

97-168	Assistance payments program.....	1,600,000	1,600,000	---
97-168	Special benefits for disabled coal miners.....	300,000	300,000	---
97-168	Supplemental security income program.....	20,711,000	20,711,000	---
97-168	Refugee assistance.....	123,000	123,000	---
97-168	Limitation on administrative expenses.....	(71,100,000)	(71,100,000)	---
	Total, Social Security Administration.....	22,734,000	22,734,000	---
	(Increase in limitation).....	(71,100,000)	(71,100,000)	---
		=====	=====	=====

ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT SERVICES

97-168	Human development services.....	2,497,000	2,497,000	---
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DEPARTMENTAL MANAGEMENT

97-168	General Departmental management.....	6,473,000	6,473,000	---
97-168	Office of the Inspector General.....	1,559,000	1,559,000	---
97-168	Office for Civil Rights.....	397,000	397,000	---
97-168	Office of Consumer Affairs.....	88,000	88,000	---
	Total, Departmental Management.....	8,517,000	8,517,000	---
	Total, Department of Health and Human Services..	64,287,000	75,847,000	+11,560,000
	(Increase in limitation).....	(71,100,000)	(71,100,000)	---
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DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

97-168	Management of lands and resources.....	3,728,000	3,728,000	---
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**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued
TITLE II—INCREASED PAY COSTS—Continued**

H. Doc.	Department or activity	Supplemental estimate	Recommended in bill	Bill compared with estimates
	UNITED STATES FISH AND WILDLIFE SERVICE			
97-168	Resource management.....	2,400,000	4,572,000	+2,172,000
97-168	(By transfer).....	(1,000,000)	---	(-1,000,000)
		=====	=====	=====
	NATIONAL PARK SERVICE			
97-168	Operation of the national park system.....	6,446,000	6,446,000	---
97-168	National recreation and preservation.....	235,000	235,000	---
97-168	John F. Kennedy Center for the Performing Arts.....	70,000	70,000	---
		-----	-----	-----
	Total, National Park Service.....	6,751,000	6,751,000	---
		=====	=====	=====
	GEOLOGICAL SURVEY			
97-168	Surveys, investigations, and research.....	7,042,000	7,042,000	---
	BUREAU OF INDIAN AFFAIRS			
97-168	Operation of Indian programs.....	8,252,000	8,252,000	---
		=====	=====	=====

OFFICE OF THE SOLICITOR AND OFFICE OF THE SECRETARY

97-168	Office of the Solicitor: Salaries and expenses.....	150,000	150,000	---
97-168	Office of the Secretary: Departmental Management.....	775,000	775,000	---
	Total, Office of the Solicitor and Office of the Secretary.....	925,000	925,000	---
	Total, Department of the Interior.....	29,098,000	31,270,000	+2,172,000
	(By transfer).....	(1,000,000)	---	(-1,000,000)

DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

97-168	Salaries and expenses.....	1,041,000	1,041,000	---
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UNITED STATES PAROLE COMMISSION

97-168	Salaries and expenses.....	206,000	206,000	---
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LEGAL ACTIVITIES

97-168	Salaries and expenses, general legal activities.....	5,022,000	5,022,000	---
97-168	Salaries and expenses, Foreign Claims Settlement Commission.....	29,000	29,000	---
97-168	Salaries and expenses, Antitrust Division.....	1,020,000	---	-1,020,000
97-168	Salaries and expenses, United States attorneys and marshals.....	12,167,000	12,167,000	---
97-168	Salaries and expenses, Community Relations Service.....	227,000	227,000	---
	Total, Legal Activities.....	18,465,000	17,445,000	-1,020,000

FEDERAL BUREAU OF INVESTIGATION

97-168	Salaries and expenses.....	23,000,000	23,000,000	---
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COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
 RECOMMENDED IN THE BILL—Continued
 TITLE II—INCREASED PAY COSTS—Continued

H. Doc.	Department or activity	Supplemental estimate	Recommended in bill	Bill compared with estimates
	IMMIGRATION AND NATURALIZATION SERVICE			
97-168	Salaries and expenses.....	12,000,000	12,000,000	---
	DRUG ENFORCEMENT ADMINISTRATION			
97-168	Salaries and expenses.....	6,000,000	6,000,000	---
	FEDERAL PRISON SYSTEM			
97-168	Salaries and expenses.....	9,000,000	6,700,000	-2,300,000
	OFFICE OF JUSTICE ASSISTANCE, RESEARCH AND STATISTICS			
97-168	Research and statistics (by transfer).....	(232,000)	(232,000)	---
	Total, Department of Justice.....	69,712,000	66,392,000	-3,320,000
	(By transfer).....	(232,000)	(232,000)	---
	DEPARTMENT OF LABOR			
	EMPLOYMENT AND TRAINING ADMINISTRATION			
97-168	Program administration (by transfer).....	(4,847,000)	(4,847,000)	---

	LABOR-MANAGEMENT SERVICES ADMINISTRATION		
97-168	Salaries and expenses (by transfer).....	(1,710,000)	(1,710,000) ---
	EMPLOYMENT STANDARDS ADMINISTRATION		
97-168	Salaries and expenses (by transfer).....	(4,974,000)	(4,974,000) ---
	OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION		
97-168	Salaries and expenses (by transfer).....	(2,927,000)	(2,927,000) ---
	BUREAU OF LABOR STATISTICS		
97-168	Salaries and expenses (by transfer).....	(3,498,000)	(3,498,000) ---
	DEPARTMENTAL MANAGEMENT		
97-168	Salaries and expenses (by transfer).....	(3,377,000)	(3,377,000) ---
	Total, Department of Labor (by transfer).....	(21,333,000)	(21,333,000) ---
			=====
	DEPARTMENT OF STATE		
	ADMINISTRATION OF FOREIGN AFFAIRS		
97-168	Salaries and expenses.....	22,078,000	22,078,000 ---
			=====
	DEPARTMENT OF TRANSPORTATION		
	FEDERAL HIGHWAY ADMINISTRATION		
97-168	Limitation on general operating expenses (increase in limitation).....	(2,829,000)	(2,500,000) (-329,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
 RECOMMENDED IN THE BILL—Continued

TITLE II—INCREASED PAY COSTS—Continued

H. Doc.	Department or activity	Supplemental estimate	Recommended in bill	Bill compared with estimates
	FEDERAL RAILROAD ADMINISTRATION			
97-168	Office of the administrator.....	240,000	200,000	-40,000
	URBAN MASS TRANSPORTATION ADMINISTRATION			
97-168	Administrative expenses.....	500,000	500,000	---
	FEDERAL AVIATION ADMINISTRATION			
97-168	Operations.....	83,794,000	83,794,000	---
97-168	Operation and maintenance, Metropolitan Washington Airports.....	456,000	456,000	---
	Total, Federal Aviation Administration.....	84,250,000	84,250,000	---
	COAST GUARD			
97-168	Operating expenses.....	78,100,000	78,100,000	---
---	(By transfer).....	---	(14,000,000)	(+14,000,000)
97-168	Reserve trainings.....	1,500,000	2,000,000	+500,000
---	(By transfer).....	---	(868,000)	(+868,000)
	Total, Coast Guard.....	79,600,000	80,100,000	+500,000

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

97-168 Limitation on administrative expenses (increase in limitation)..... (38,000) (38,000) ---

OFFICE OF THE INSPECTOR GENERAL

97-168 Salaries and expenses..... 500,000 445,000 -55,000
 97-168 (By transfer)..... (155,000) (155,000) ---

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

97-168 Research and special programs (by transfer)..... (218,000) --- (-218,000)

OFFICE OF THE SECRETARY

97-168 Salaries and expenses..... 1,385,000 700,000 -685,000
 Total, Department of Transportation..... 166,475,000 166,195,000 -280,000
 (By transfer)..... (373,000) (15,023,000) (+14,650,000)
 (Increase in limitations)..... (2,867,000) (2,538,000) (-329,000)

DEPARTMENT OF THE TREASURY

Office of the Secretary:
 97-168 Salaries and expenses..... 1,766,000 1,766,000 ---
 97-168 International affairs..... 992,000 992,000 ---
 Office of Revenue Sharing:
 97-168 Salaries and expenses..... 181,000 61,000 -120,000
 Federal Law Enforcement Training Center:
 97-168 Salaries and expenses..... 255,000 255,000 ---
 Bureau of Government Financial Operations:
 97-168 Salaries and expenses..... 2,588,000 2,588,000 ---
 97-168 Chrysler Corporation Loan Guarantee Program..... 9,000 --- -9,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE II—INCREASED PAY COSTS—Continued

H. Doc.	Department or activity	Supplemental estimate	Recommended in bill	Bill compared with estimates
97-168	Bureau of Alcohol, Tobacco and Firearms: Salaries and expenses.....	2,685,000	2,685,000	---
97-168	United States Customs Service: Salaries and expenses.....	18,565,000	18,565,000	---
97-168	Bureau of the Mint: Salaries and expenses.....	3,386,000	3,386,000	---
97-168	Bureau of the Public Debt: Administering the public debt.....	1,594,000	1,594,000	---
97-168	Internal Revenue Service: Salaries and expenses.....	8,068,000	8,068,000	---
97-168	Taxpayer service and returns processing.....	25,222,000	25,222,000	---
97-168	Examinations and appeals.....	34,846,000	34,846,000	---
97-168	Investigations and collections.....	23,117,000	23,117,000	---
	Total, Internal Revenue Service.....	91,253,000	91,253,000	---
97-168	United States Secret Service: Salaries and expenses.....	5,855,000	5,855,000	---
	Total, Department of the Treasury.....	129,129,000	129,000,000	-129,000
	NATIONAL AERONAUTICS AND SPACE ADMINISTRATION			
97-168	Research and program management.....	31,050,000	80,000,000	+48,950,000

VETERANS ADMINISTRATION

97-168	Medical care.....	97,308,000	147,308,000	+50,000,000
97-168	(By transfer).....	(50,000,000)	---	(-50,000,000)
97-168	Medical and prosthetic research.....	4,244,000	4,244,000	---
97-168	Medical administration and miscellaneous operating expenses.....	1,078,000	1,078,000	---
97-168	General operating expenses.....	21,925,000	21,925,000	---
97-168	Construction, minor projects.....	579,000	---	-579,000
Total, Veterans Administration.....		125,134,000	174,555,000	+49,421,000
(By transfer).....		(50,000,000)	---	(-50,000,000)

OTHER INDEPENDENT AGENCIES

ACTION:

97-168	Operating expenses, domestic programs.....	952,000	952,000	---
97-168	Administrative Conference of the United States:			
	Salaries and expenses.....	52,000	52,000	---
---	Advisory Council on Historic Preservation:			
	Salaries and expenses.....	---	25,000	+25,000
97-168	Civil Aeronautics Board:			
	Salaries and expenses.....	766,000	700,000	-66,000
97-168	Commission of Fine Arts:			
	Salaries and expenses.....	8,000	12,000	+4,000
97-168	Committee for Purchase from the Blind and other Severely Handicapped:			
	Salaries and expenses.....	19,000	19,000	---
97-168	Commodity Futures Trading Commission.....	888,000	788,000	-100,000
97-168	Consumer Product Safety Commission:			
	Salaries and expenses.....	675,000	500,000	-175,000
97-168	Equal Employment Opportunity Commission:			
	Salaries and expenses.....	4,850,000	4,850,000	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE II—INCREASED PAY COSTS—Continued

H. Doc.	Department or activity	Supplemental estimate	Recommended in bill	Bill compared with estimates
97-206	Farm Credit Administration: Limitation on administrative expenses (increase in limitation).....	(259,000)	(259,000)	---
97-168	Federal Communications Commission: Salaries and expenses.....	3,124,000	3,124,000	---
97-168	Federal Election Commission: Salaries and expenses.....	184,000	184,000	---
97-168	Federal Emergency Management Agency: Salaries and expenses (by transfer).....	(2,084,000)	(2,084,000)	---
97-168	Federal Home Loan Bank Board: Federal Home Loan Bank Board: (Increase in limitation on administrative expenses).....	(630,000)	(400,000)	(-230,000)
97-168	(Increase in limitation on nonadministrative expenses).....	(800,000)	(300,000)	(-500,000)
97-168	Federal Savings and Loan Insurance Corporation: (Increase in limitation on administrative expenses).....	(30,000)	(30,000)	---
97-168	Federal Labor Relations Authority: Salaries and expenses.....	645,000	645,000	---
97-168	Federal Maritime Commission: Salaries and expenses.....	273,000	273,000	---
97-168	Federal Mine Safety and Health Review Commission: Salaries and expenses.....	225,000	225,000	---

General Services Administration:

Federal Buildings Fund:

Limitations on availability of revenue
(increase in limitations):

97-168	Program direction.....	(3,022,000)	(3,022,000)	---
97-168	Federal Supply Service: operating expenses.....	4,088,000	4,088,000	---
	Transportation and Public Utilities Service:			
97-168	Operating expenses.....	611,000	611,000	---
	National Archives and Records Service: Operating			
97-168	expenses.....	1,681,000	1,681,000	---
	Automated Data and Telecommunications Service:			
97-168	Operating expenses.....	488,000	488,000	---
	Federal property resources service:			
97-168	Operating expenses.....	578,000	578,000	---
97-168	(By transfer).....	(501,000)	(501,000)	---
	General management and administration: Salaries			
97-168	and expenses.....	4,994,000	4,994,000	---
97-168	Office of Inspector General.....	677,000	677,000	---
97-168	Consumer Information Center.....	29,000	---	-29,000
	Holocaust Memorial Council:			
---	Salaries and expenses.....	---	17,000	+17,000
	Intelligence Community Staff:			
97-168	Intelligence community staff.....	632,000	632,000	---
	Intergovernmental Agencies			
	Advisory Commission on Intergovernmental Relations:			
97-168	Salaries and expenses.....	82,000	82,000	---
	International Communication Agency:			
97-168	Salaries and expenses.....	7,115,000	7,115,000	---
	International Trade Commission:			
97-125	Salaries and expenses.....	603,000	603,000	---

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COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS
RECOMMENDED IN THE BILL—Continued

TITLE II—INCREASED PAY COSTS—Continued

H. Doc.	Department or activity	Supplemental estimate	Recommended in bill	Bill compared with estimates
97-168	Merit Systems Protection Board:			
	Salaries and expenses.....	326,000	326,000	---
97-168	Office of the Special Counsel.....	104,000	104,000	---
	Total, Merit Systems Protection Board.....	430,000	430,000	---
		=====	=====	=====
97-168	National Capital Planning Commission:			
	Salaries and expenses.....	106,000	106,000	---
97-168	National Foundation on the Arts and the Humanities: National endowment for the arts: Salaries and expenses.....	170,000	250,000	+80,000
97-168	National Labor Relations Board: Salaries and expenses.....	2,400,000	2,400,000	---
97-168	National Science Foundation: Research and related activities.....	1,900,000	1,900,000	---
97-168	National Transportation Safety Board: Salaries and expenses.....	580,000	580,000	---
97-168	Nuclear Regulatory Commission: Salaries and expenses.....	3,344,000	---	-3,344,000
97-168	Office of Personnel Management: Salaries and expenses.....	3,312,000	3,312,000	---
97-168	Salaries and expenses (by transfer from trust funds).....	(803,000)	(803,000)	---

97-168	Pennsylvania Avenue Development Corporation: Salaries and expenses.....	48,000	48,000	---
97-168	Railroad Retirement Board: Limitation on administration (increase in administration).....	(661,000)	(661,000)	---
97-168	Selective Service System: Salaries and expenses.....	938,000	938,000	---
97-168	Smithsonian Institution: Salaries and expenses.....	2,300,000	2,700,000	+400,000
---	National Gallery of Art: Salaries and expenses.....	---	300,000	+300,000
---	Woodrow Wilson International Center for Scholars: Salaries and expenses.....	---	25,000	+25,000
97-125	UNITED STATES TAX COURT Salaries and expenses.....	381,000	381,000	---

TITLE III

GENERAL PROVISIONS

Title III of the bill contains general provisions.

Section 301 carries the usual prohibition against the obligation of funds provided in the bill beyond the current fiscal year as follows:

Sec. 301. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Section 302 is a routine provision associated with the many pay increase appropriations contained in the bill which will, when added to the amounts provided in regular appropriation acts, increase the total approved to an amount authorized either for direct accounts or limitations as follows:

Sec. 302. Except where specifically increased or decreased elsewhere in this Act, the restrictions contained within appropriations, or provisions affecting appropriations or other funds, available during the fiscal year 1982, limiting the amounts which may be expended for personal services, or for purposes involving personal services, or amounts which may be transferred between appropriations or authorizations available for or involving such services, are hereby increased to the extent necessary to meet increased pay costs authorized by or pursuant to law.

Section. 303 is a general provision which restricts the amount of outside earned income for a Member of Congress to no more than 30 percent of a Member's aggregate salary. This limitation is identical to that which currently applies to Members of the House of Representatives.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore carried in connection with any appropriation bill are recommended:

TITLE I—GENERAL SUPPLEMENTALS

The bill provides for rescission and deferral of funds previously provided in appropriation bills and recommends disapproval of some deferrals. These might be construed as legislative provisions. Rescissions are listed separately later in this report.

In connection with the Commodity Credit Corporation, "Authority to Borrow", in the Department of Agriculture:

: Provided, That not less than \$500,000,000 of this amount shall be available for export credit loans as authorized by the Charter of the Commodity Credit Corporation and the export authorities conferred

upon the Corporation by the Corporation's charter shall be controlling without restriction

In connection with Economic Development Administration, "Economic Development Revolving Fund" in the Department of Commerce:

During fiscal year 1982, and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed \$30,000,000. The unobligated balances in the Economic Development Revolving Fund shall be available for necessary expenses of protecting the Government's liability in federally guaranteed loans made prior to October 1, 1981, under the authority of Title II of the Trade Act of 1974, as amended, including defaults of loan guarantees and care and protection of collateral and such other costs as may be necessary to protect the Government's investments.

In connection with National Oceanic and Atmospheric Administration, "Coastal Zone Management" in the Department of Commerce:

For an additional amount for "Coastal zone management", \$3,000,000, to be derived by transfer from repayments of principal and interest on outstanding loans in the fund entitled "Coastal Energy Impact Fund", to remain available until expended.

In connection with "Salaries and Expenses, United States Attorneys and Marshals" in the Department of Justice:

, of which \$500,000 shall be available only for bankruptcy trustees

In connection with "General Provisions—Department of Justice" in the Department of Justice:

Notwithstanding section 501(e)(2)(B) of Public Law 96-422, funds made available to the Department of Justice for fiscal year 1982 may be expended for assistance to Cuban-Haitian entrants as authorized under section 501(c) of said Act.

In connection with "American Sections, International Commissions" in the Department of State:

, not to exceed \$95,000 for the International Joint Commission shall remain available until September 30, 1983.

In connection with "General Provisions" in the Department of Defense—Military:

All obligations incurred in anticipation of the appropriations and authority provided in this Act by the Department of Defense for pay and allowances for military personnel are hereby ratified and confirmed if otherwise in accordance with the provisions of this Act.

None of the funds available to the Department of Defense during the current fiscal year shall be used by the Secretary of a military department to purchase coal or coke from foreign nations for use at United States defense facilities in Europe.

In connection with "Governmental direction and support" for the District of Columbia:

, of which \$40,000 for the Council of the District of Columbia shall be available only upon enactment of D.C. Bill 4-35 or equivalent legislation.

In connection with "Public safety and justice" for the District of Columbia:

Provided, That the limitation on funds available to the Chief of Police in fiscal year 1982 for the prevention and detection of crime under this heading in Public Law 97-91 is increased to \$300,000.

In connection with "Personal services" for the District of Columbia:

, of which \$2,590,300, in addition to \$2,774,500 appropriated under this heading in Public Law 97-91, shall be solely for the Metropolitan Police Department.

In connection with "Administrative Provisions", Chapter V:

Funds available to the Corps of Engineers under Operation and Maintenance, General may be used to provide a lump sum payment as compensation for seepage damages in the Sny Island Levee Drainage District, Illinois, currently estimated to be \$2,420,000, attributable to operation of the project.

Appropriations for the Yatesville Lake construction project shall be made available for obligation in the amount designated for that project and without regard to any other designation in the joint explanatory statement of the committee of conference (Report No. 97-345), pursuant to Title I of the Energy and Water Development Appropriation Act, 1982.

Without regard to any other provision of law limiting the amounts payable to prevailing wage rate employees, U.S. Army Corps of Engineers employees paid from Corps of Engineers Special Power Rate Schedules shall be paid, beginning the effective date of each annual wage survey in the region after the date of enactment of this Act, wages as determined by the DOD Wage Fixing Authority to be consistent with wages of the Department of Energy and the Department of the Interior employees performing similar work in the corresponding area whose wage rates are established in accordance with Section 9(b) of Public Law 92-392 or Section 704 of Public Law 94-454.

In connection with "Migration and Refugee Assistance":

The funds appropriated by the Foreign Assistance and Related Programs Appropriations Act, 1982, for resettlement services and facilities for refugees and displaced persons in Africa shall be available for obligation and expenditure notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956, and shall remain available until expended.

In connection with "Special Assistance Functions Fund" in the Department of Housing and Urban Development:

notwithstanding section 333(a)(2) of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35).

In connection with "Medical Administration and Miscellaneous Operating Expenses" in the Veterans Administration:

to remain available until September 30, 1983, and which shall be derived by transfer from "Medical Care".

In connection with "Grants to the Republic of the Philippines" for the Veterans Administration:

to remain available until September 30, 1983, and which shall be derived by transfer from "Medical Care".

In connection with the Administrative Provisions:

The limitation in section 501(40) of title V of the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1982, or the Department of Housing and Urban Development's data processing services is increased from \$34,000,000 to \$35,500,000.

Gross loan commitments for 1982 to be made under Section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q) shall not be subject to the rules of the Department of Housing and Urban Development published on May 11, 1982.

In connection with "Management of Lands and Resources", in the Department of the Interior:

Provided, That notwithstanding any other provisions of law, the Secretary of the Interior and Secretary of Agriculture are authorized to enter into contracts with state and local governmental entities, including local fire districts, for procurement of services in the pre-suppression, detection, and suppression of fires on any units within their jurisdiction. In addition, any contracts or agreements with the jurisdictions for fire management services listed above which are previously executed shall remain valid.

In connection with "Construction and Anadromous fish", in the Department of the Interior:

of which not less than \$2,500,000 shall be available for construction and equipping, at Merritt Island NWR, Florida, the Scott J. Manness administrative/visitor facility and the Beau W. Sauselein maintenance center.

In connection with "Construction", in the National Park Service of the Department of the Interior:

Provided, That \$9,000,000 for reconstruction of the Filene Center at the Wolf Trap Farm Park for the Performing Arts shall become available for obligation only upon enactment of authorizing legislation.

In connection with "Construction", in the National Park Service of the Department of the Interior:

Provided further, That notwithstanding any other provisions of law, the Park Service, using the United States Army Corps of Engineers, shall begin providing hydraulic fill to the Sandy Hook area of the Gateway National Recreation Area within 60 days after enactment of this legislation.

In connection with "Abandoned Mine Reclamation Fund", in the Department of the Interior:

\$13,251,000 for the purposes of section 406 of Public Law 95-87.

In connection with "Trust Territory of the Pacific Islands", in the Department of the Interior:

Provided, That such sum shall be paid to a trustee selected by the Bikini/Kili Council subject only to the disapproval of the High Commissioner of the Trust Territory of the Pacific Islands to be help in trust pursuant to the provisions of a trust agreement or amendment thereto approved by the Bikini/Kili Council subject only to the disapproval of the High Commissioner of the Trust Territory of the Pacific Islands: Provided further, That such fund and the earnings and distribution therefrom shall not be subject to any form of Federal, state, or local taxation: Provided further, That \$2,000,000 of such fund shall remain available for future ex gratia distribution to the people of Bikini Atoll pursuant to the provisions of the trust agreement: Provided further, That the Governments of the United States and Trust Territory of the Pacific Islands shall not be liable in any cause of action in law or equity from the administration and distribution of the trust funds.

In connection with "Construction and Land Acquisition", in the Department of Agriculture:

The limitation on obligations provided for construction of forest roads by timber purchasers under this head in Public Law 97-100 shall remain available without fiscal year limitation.

In connection with "Fossil Energy Research and Development", in the Department of Energy:

: Provided, That there are transferred to, and vested in, the Secretary of the Interior all functions vested in, or delegated to, the Secretary of Energy and the Department of Energy under or with respect to (1) the Act of May 16, 1910, and other authorities formerly exercised by the Bureau of Mines, but limited to research and development relating to increased efficiency of production technology of solid fuel minerals; (2) section 908 of the Surface Mining Control and Reclamation Act of 1977, relating to research and development concerning alternative coal mining technologies (30 U.S.C. 1328); (3) sections 5(g)(2), 8(a) (4,9), 27(b)(2)(3) of the Outer Continental Shelf Lands Act (43 U.S.C. 1334(g)(2) and 1337(a)(9)); and (4) section 105 of the Energy Policy and Conservation Act (42 U.S.C. 6213): Provided further, That the personnel employed, personnel positions, equipment, facilities, and unexpended balances of the aforementioned transferred programs shall be merged with the "Mines and minerals" account of the Bureau of Mines.

In connection with "Fossil Energy Research and Development", in the Department of Energy:

Provided further, That none of the funds provided by this Act or any other Act shall be used to reduce employment in the Department of Energy's fossil energy programs below the employment level of July 1, 1982.

In connection with "Salaries and expenses", of the Navajo and Hopi Indian Relocation Commission:

Of the funds made available under this heading in Public Law 97-100, \$7,831,000 for relocation operations shall remain available until expended.

In connection with "Administrative provision", of chapter VIII:

None of the funds provided by this chapter or by Public Law 97-100 shall be used to evaluate, consider, process or award oil, gas or geothermal leases on Federal lands in the Mount Baker-Snoqualmie National Forest, State of Washington, within the hydrographic boundaries of the Cedar River municipal watershed upstream of river mile 21.6, the Green River municipal watershed upstream of river mile 61.0, the North Fork of the Tolt River proposed municipal watershed upstream of river mile 11.7 and the South Fork Tolt River municipal watershed upstream of river mile 8.4.

In connection with "Assistant Secretary for Health, Salaries and expenses":

: Provided, That section 2008(g) of the Public Health Service Act does not apply to this program.

In connection with "Compensatory Education for the Disadvantaged", in the Department of Education:

Provided, That in addition to the amount otherwise made available for making allocations under such subpart for the 1982-83 school year, the amount appropriated herein shall be allocated to State and local educational agencies on the basis of the 1970 Census data or the 1980 Census data whichever yields the higher allocations: Provided further, That if the amount appropriated herein is insufficient to make such higher allocations, the allocation to each local educational agency shall be ratably reduced.

In connection with "School assistance in federally affected areas":

Funds appropriated in Public Law 94-303 for fiscal year 1976 payments under subparagraphs (A), (B), (C), and (D) of section 305 of the Education Amendments of 1974 remaining available after all claims have been paid shall be available, without fiscal year limitation, for fiscal year 1982 payments under section 3 of the Act of September 30, 1950, as amended (20 U.S.C. ch. 13), in accordance with Public Law 97-92, as amended, and funds made available in fiscal year 1982 for section 7 of the Act of September 30, 1950, as amended (20 U.S.C. ch. 13), shall remain available until September 30, 1983.

In connection with "Legislative Branch", "Administrative Provisions":

Section 101(c) of Public Law 97-51 is amended by inserting before the second semicolon the following: "; except that in applying the provisions under the heading 'Capitol Police Board' the term 'for obligations of fiscal years 1982 and 1983' shall be substituted for the term 'for obligations of Fiscal Year 1982' and".

Not to exceed \$125,000 of the unobligated balance of that part of the appropriation "Salaries and expenses, Library of Congress" initially for the fiscal year 1980 and continued until September 30,

1982, for moving costs to the James Madison Memorial Building, is hereby further continued available until September 30, 1983.

In connection with Federal Aviation Administration, "Operations":

together with not to exceed \$9,945,000 to be derived from the Airport and Airway Trust Fund for reimbursement of expenses incurred by certificated air carriers in the security screening of passengers moving in foreign air transportation and not to exceed \$10,000,000 to be derived by transfer from the appropriation "Construction, Metropolitan Washington Airports": Provided, That not to exceed \$10,000,000 shall be available for reimbursement to the Department of Defense to finance personnel compensation for military controllers

In connection with Federal Highway Administration, "Access highways to public recreation areas on certain lakes":

Appropriations under this heading for fiscal year 1980 shall remain available until September 30, 1984

In connection with Federal Railroad Administration, "Rail service assistance":

together with the appropriations under "Rail service assistance" contained in Public Law 97-102, to remain available until expended

In connection with the Federal Railroad Administration, "Grants to the National Railroad Passenger Corporation":

Provided, That the Interstate Commerce Commission shall have no jurisdiction over the transfer of the line or over the creation of trackage rights for freight operation over the line

In connection with the Federal Railroad Administration, "Commuter rail service":

The Congress disapproves the proposed deferral D82-243 relating to the Federal Railroad Administration, commuter rail service, as set forth in the message of April 23, 1982, which was transmitted to the Congress by the President. This disapproval shall be effective upon the enactment into law of this bill.

In connection with the Federal Railroad Administration, "Commuter rail service":

Provided, That none of the funds provided to carry out section 1139(b) of Public Law 97-35 in this Act or any other Act shall be available for the payment of operating losses, ticket agent funds, Grand Central Station tenant receivables, force account labor, or compensating balance requirements of any local transportation authority

In connection with Federal Railroad Administration, "Rail labor assistance":

Provided, That notwithstanding any other provision of law, funds appropriated herein shall not be available for payment of any benefit with respect to any arbitration claim filed after September 30, 1982

In connection with United States Secret Service, "Salaries and expenses":

Provided, That \$1,400,000 appropriated in Public Law 97-12, for the costs of construction and installation of a White House complex security system shall remain available until expended.

In connection with Administrative Provision in Chapter XIII:

SEC. 1. None of the funds made available by this Act shall be available to initiate, implement, or administer the program proposed by the Treasury Department to modify service charges for allotments of pay to savings accounts of federal civilian employees as proposed in the Federal Register, volume 47, No. 45, dated March 8, 1982.

In connection with General Services Administration Federal Buildings Fund, "Limitations on Availability of Revenue":

In addition to the aggregate amount heretofore made available for real property management and related activities in fiscal year 1982, \$857,000 shall be made available for such purposes and shall remain available until expended for the construction and acquisition of facilities, as follows:

Payment of Construction Claims:

Alaska: Juneau, U.S. Post Office and Courthouse, \$11,300.

Florida: Fort Lauderdale, Courthouse and Federal Office Building and Parking Facility, \$643,000.

Mississippi: Jackson, Federal Office Building, \$202,700

Provided, That the immediately foregoing limits of costs may be exceeded to the extent that savings are effected in other such projects but by not to exceed 10 per centum: Provided further, That claims against the Government less than \$10,000 arising from direct construction projects, acquisitions of buildings, and purchase contract projects pursuant to Public Law 92-313 may be liquidated with prior notification of the Committees on Appropriations of the House and Senate to the extent savings are effected in other such projects: Provided further, That any revenues and collections and any other sums accruing to this fund during fiscal year 1982, excluding reimbursements under section 210(f)(6) in excess of \$1,869,168,000 shall remain in the fund and shall not be available for expenditure except as authorized in Appropriation Acts.

TITLE II—INCREASED PAY COSTS

In connection with the Federal Highway Administration, "limitation on general operating expenses":

Provided, That none of the funds in this or any other Act shall be available for the implementation of the Federal Highway Administration's rule "Design standards for Highways; Resurfacing, Restoration, and Rehabilitation of Streets and Highways other than Freeways"

In connection with Railroad Retirement Board, Limitation on administration:

": Provided, That the total number of full-time equivalent employees available to the Railroad Retirement Board under this heading and

other appropriations of funds and other limitations on administration to pay expenses for activities required by law to be performed by the Board shall not be less than 1,578;"

TITLE III—GENERAL PROVISIONS

In connection with Title III, General Provisions:

Sec. 303. (a)(1) Except as provided by paragraph (2), no Member may, in any calendar year beginning after December 31, 1981, have outside earned income attributable to such calendar year which is in excess of 30 per centum of the aggregate salary as a Member paid to the Member during such calendar year.

(2) In the case of any individual who becomes a Member during any calendar year beginning after December 31, 1981, such Member may not have outside earned income attributable to the portion of that calendar year which occurs after such individual becomes a Member which is in excess of 30 per centum of the aggregate salary as a Member paid to the Member during such calendar year.

(b) For purposes of subsection (a), honoraria shall be attributable to the calendar year in which payment is received.

(c) For the purposes of this section—

(1) "Member" means a United States Senator, a Representative in Congress, a Delegate to Congress, or the Resident Commissioner from Puerto Rico;

(2) "honorarium" means a payment of money or any thing of value to a Member for an appearance, speech, or article, by the Member; but there shall not be taken into account for purposes of this paragraph any actual and necessary travel expenses incurred by the Member to the extent that such expenses are paid or reimbursed by any other person, and the amount otherwise determined shall be reduced by the amount of any such expenses to the extent that they are not paid or reimbursed;

(3) "travel expenses" means, with respect to a Member, the cost of transportation, and the cost of lodging and meals while away from his residence or the greater Washington, District of Columbia, metropolitan area; and

(4) "outside earned income" means, with respect to a Member, wages, salaries, professional fees, honorariums, and other amounts (other than copyright royalties) received or to be received as compensation for personal services actually rendered but does not include—

(A) the salary of such Member as a Member;

(B) any compensation derived by such Member for personal services actually rendered prior to the effective date of this section or becoming such a Member, whichever occurs later;

(C) any amount paid by, or on behalf, of, a Member to a tax-qualified pension, profit-sharing, or stock bonus plan and received by such Member from such a plan; and

(D) in the case of a Member engaged in a trade or business in which the Member or his family holds a controlling interest and in which both personal services and capital are income-producing factors, any amount received by such Member so long as the personal services actually rendered

by the Member in the trade or business do not generate a significant amount of income.

Outside earned income shall be determined without regard to any community property law.

(d) This section shall take effect on the date of the enactment of this Act.

RESCISSIONS

Pursuant to Clause 1(b), Rule X of the House of Representatives, the following table is submitted describing the rescissions recommended in the accompanying bill.

RESCISSIONS RECOMMENDED IN THE BILL

Department and activity	Amounts recommended for rescission
TITLE I—GENERAL SUPPLEMENTALS	
CHAPTER II	
Board for International Broadcasting	
Grants and expenses.....	—\$2,000,000
CHAPTER VIII	
DEPARTMENT OF THE INTERIOR	
National Park Service	
Land and Water Conservation Fund.....	—30,000,000
Geological Survey	
Exploration of National Petroleum Reserve in Alaska.....	—16,200,000
FEDERAL INSPECTOR FOR THE ALASKA GAS PIPELINE	
Permitting and enforcement.....	—8,000,000
CHAPTER XIII	
United States Postal Service	
Payment to the Postal Service.....	—208,660,000

TRANSFER OF FUNDS

Pursuant to Clause 1(b), Rule X of the House of Representatives, the following table is submitted describing the transfer of funds provided in the accompanying bill.

The table shows, by title, Department, and agency, the appropriations affected by such transfers.

APPROPRIATION TRANSFERS RECOMMENDED IN THE BILL

Account to which transfer is to be made	Amount	Account from which transfer is to be made	Amount
TITLE I—GENERAL SUPPLEMENTALS			
Department of Commerce:		Department of Commerce:	
National Oceanic and Atmospheric Administration: Coastal Zone Management.	\$3,000,000	National Oceanic and Atmospheric Administration: Coastal Energy Impact Fund.	\$3,000,000

APPROPRIATION TRANSFERS RECOMMENDED IN THE BILL—Continued

Account to which transfer is to be made	Amount	Account from which transfer is to be made	Amount
Department of Justice: Legal activities: Salaries and expenses, general legal activities.	\$1,800,000	Department of Justice: Legal activities: Salaries and expenses, Antitrust Division.	\$1,800,000
Department of Defense: Reserve personnel, Navy, FY 1979.....	300,000	Department of Defense: Reserve personnel, Navy, FY 1982.....	300,000
Operation and maintenance, Army.....	23,500,000	Missile procurement, Army, 1982/1984....	5,700,000
		Procurement of weapons and tracked combat vehicles, Army, 1982/1984.	6,300,000
		Other procurement, Army, 1982/1984.....	10,000,000
		Procurement of Ammunition, Army, 1982/1984.	1,500,000
Operation and maintenance, Navy.....	76,426,000	Aircraft procurement, Navy, 1982/1984 ...	20,000,000
		Other procurement, Navy, 1982/1984.....	19,200,000
		Research, development, test, and evalua- tion, Navy, 1982/1983.	37,226,000
Operation and maintenance, Marine Corps.	2,000,000	Procurement, Marine Corps, 1982/1984 ...	2,000,000
Agency for International Development.....	50,000,000	Department of State: Migration and Refugee Assistance.	50,000,000
Department of Energy: Energy Supply, Research and Develop- ment: Plant and capital equipment.	14,000,000	Department of Energy: Geothermal Resources Development Fund..	14,000,000
Veterans Administration: Medical administration and miscella- neous operating expenses.	8,000,000	Veterans Administration: Medical care.....	8,000,000
Grants to the Republic of the Philippines..	500,000	Medical care.....	500,000
Department of Interior: Bureau of Mines: Mines and Minerals.....	991,000	Department of Interior: Bureau of Mines: Drainage of Anthracite Mines.	991,000
Department of Labor: Labor Management Services Administra- tion: Salaries and Expenses.	1,157,000	Department of Labor: Employment and training administration: Employment and training assistance.	1,157,000
Department of Transportation: Federal Aviation Administration: Oper- ations.	10,000,000	Department of Transportation: Federal Aviation Administration: Con- struction, Metropolitan Washington Airports.	10,000,000
Federal Railroad Administration: Grants to the National Railroad Passenger Corporation.	8,400,000	U.S. Railway Association: Payments for purchase of Conrail securi- ties.	8,400,000
		Department of Transportation: Federal Railroad Administration: Railroad research and development ..	5,000,000
Redeemable preference shares.....	5,000,000	U.S. Railway Association: Payments for purchase of Conrail securi- ties.	9,000,000
Rail labor assistance.....	9,000,000		
TITLE II—INCREASED PAY COSTS			
Courts of Appeals, District Courts, and Other Judicial Services: Salaries of judges.....	50,000	Courts of Appeals, District Courts, and other Judicial Services: Space and facilities.....	50,000
Salaries of supporting personnel.....	10,500,000	Fees of jurors and commissioners	4,500,000
Department of Agriculture: Office of the Inspector General.....	385,000	Space and facilities.....	6,000,000
Soil Conservation Service: Conservation operations.....	7,849,000	Department of Agriculture: Food and Nutrition Service: Food Stamps Program.	385,000
River basin surveys and investiga- tions.	618,000	Soil Conservation Service: Watershed and flood prevention operations.	7,849,000
Watershed planning.....	355,000	Watershed and flood prevention operations.	618,000
		Watershed and flood prevention operations.	355,000

APPROPRIATION TRANSFERS RECOMMENDED IN THE BILL—Continued

Account to which transfer is to be made	Amount	Account from which transfer is to be made	Amount
Department of Commerce:		Department of Commerce:	
General administration: Salaries and expenses.	\$1,467,000	Regional development programs.....	\$1,467,000
Bureau of the Census: Salaries and expenses.	2,200,000	Regional development programs.....	2,200,000
Economic and Statistical Analysis: Salaries and expenses.	1,295,000	Regional development programs.....	1,295,000
Department of Defense:		Department of Defense:	
Operation and maintenance, Air Force.....	95,200,000	Aircraft procurement, Air Force, 1980/1982.	36,100,000
		Aircraft procurement, Air Force, 1981/1983.	37,100,000
		Missile procurement, Air Force, 1982/1984.	10,000,000
		Research, development, test, and evaluation, Air Force, 1982/1983.	12,000,000
Department of Health and Human Services:		Department of Health and Human Services:	
Centers for Disease Control: Preventive health services.	2,300,000	Centers for Disease Control: Swine-flu funds.	2,300,000
Alcohol, Drug Abuse, and Mental Health Administration: Saint Elizabeths Hospital.	3,454,000	Health Resources Administration: Health resources.	3,454,000
Department of Justice:		Department of Justice:	
Office of Justice Assistance, Research and Statistics: Research and Statistics.	232,000	Office of Justice Assistance, Research and Statistics: Law enforcement assistance.	232,000
Department of Labor:		Department of Labor:	
Employment and Training Administration: Program Administration.	4,847,000	Employment and Training Administration:	
		Employment and training assistance.	4,847,000
Labor Management Services Administration: Salaries and expenses.	1,710,000	Employment and training assistance.	1,710,000
Employment Standards Administration: Salaries and expenses.	4,974,000	Employment and training assistance.	4,974,000
Occupational Safety and Health Administration: Salaries and expenses.	2,927,000	Employment and training assistance.	2,927,000
Bureau of Labor Statistics:		Employment and training assistance.	3,498,000
Salaries and Expenses	3,498,000	Employment and training assistance.	3,377,000
Departmental management:			
Salaries and expenses.....	3,377,000		
Department of Transportation:		Department of Transportation:	
Coast Guard:		Coast Guard: Retired pay.....	14,000,000
Operating expenses.....	14,000,000	Research and Special Programs Administration: Research and special programs.	650,000
Reserve training.....	868,000	Cooperative automotive research.....	218,000
		Federal Highway Administration: Funds available under 23 U.S.C. 104(a).	155,000
Office of the Inspector General: Salaries and expenses..	155,000	Federal Emergency Management Agency: State and local assistance.	2,084,000
Federal Emergency Management Agency: Salaries and expenses	2,084,000	General Services Administration:	
General Services Administration:		Rare Silver Dollars.....	501,000
Federal property resources service: Operating expenses.	501,000	Office of Personnel Management Trust Funds of the Office of Personnel Management.	803,000
Office of Personnel Management: Salaries and expenses.	803,000		

CHANGES IN THE APPLICATION OF EXISTING LAW

Pursuant to clause 3 of rule XXI of the House of Representatives, the following statements are submitted describing the effect of provisions in the accompanying bill which directly or indirectly change the application of existing law.

The bill provides that certain appropriation items remain available for more than one year where programs or projects are continuing in nature under the provisions of authorizing legislation but for which that legislation does not specifically authorize such extended availability. Most of these items have been carried in previous appropriation bills. This authority tends to result in savings by preventing the practice of committing funds at the end of the fiscal year.

Language is included in various parts of the bill to continue ongoing activities of those Federal agencies which require annual authorization or additional legislation, which to date has not been enacted.

The bill includes a number of provisions which place limitations on the use of funds in the bill or changed existing limitations and which might, under some circumstances, be construed as changing the application of existing law.

Language is included in the bill for certain transfers, rescissions, deferrals, and disapproval of deferrals of funds previously provided in appropriation bills.

Language is included under the Commodity Credit Corporation which makes available not less than \$500,000,000 for export credit loans as authorized by the Charter of the Corporation, and that the export authorities conferred upon the Corporation by its Charter shall be controlling without restriction.

Language is included in the bill under the Economic Development Administration which would permit the balances available in the Economic Development Revolving Fund to be used for not to exceed \$30,000,000 in direct loans and for payments of defaults on loan guarantees made under authority of Title II of the Trade Act of 1974.

Language is included in the bill under the International Trade Administration which limits obligations for direct loans to \$12,484,000 and loan guarantees to \$28,250,000 in fiscal year 1982. The limitations contained in the Continuing Resolution for fiscal year 1982 (P.L. 97-161) for these items were \$20,000,000 and \$38,250,000 respectively.

Language is included in the bill under the Patent and Trademark Office which permits funds previously appropriated for fiscal year 1982 and all fees collected to remain available until expended.

Language is included in the bill under Salaries and Expenses of the Small Business Administration which provides that \$11,200,000 of the funds appropriated for fiscal year 1982 shall be available only for grants for Small Business Development Centers. The Continuing Resolution for fiscal year 1982 (P.L. 97-161) provided \$14,000,000 for this purpose.

Language is included in the bill under the Foreign Claims Settlement Commission in the Department of Justice which permits funds appropriated for fiscal year 1982 to be used to pay allowances

and benefits similar to those allowed under the Foreign Service Act of 1980, as determined by the Commission.

Language is included in the bill under Salaries and Expenses, United States Attorneys and Marshals, which provides that \$500,000 of the \$4,165,000 provided shall be available only for bankruptcy trustees.

Language is included in the bill under Support of United States Prisoners, which permits \$1,600,000 to be used to fund fiscal year 1981 obligations in excess of amounts available and that permits not to exceed \$3,000,000 of the current year appropriation to be used for renovating and equipping State and local jails that confine Federal prisoners.

Language is included in the bill under the Federal Bureau of Investigation, which permits funds appropriated for fiscal year 1982 to be used to purchase 1,500 police-type passenger motor vehicles for replacement only.

Language is included in the bill for the Immigration and Naturalization Service which permits funds appropriated for fiscal year 1982 to be used to purchase not to exceed 510 police-type passenger motor vehicles of which 430 shall be for replacement only.

Language is included in the bill under the Drug Enforcement Administration which permits funds appropriated for fiscal year 1982 to be used to purchase not to exceed 277 police-type passenger motor vehicles for replacement only.

Language is included in the bill under Federal Prison System, Salaries and Expenses which permits funds appropriated for fiscal year 1982 to be used to purchase 31 law enforcement and passenger motor vehicles, of which 27 are for replacement only.

Language is included in the bill under Federal Prison Industries, Incorporated, which increases the limitation on administrative expenses from \$2,264,000 to \$2,417,000 and the limitation on vocational training expenses from \$2,701,000 to \$3,162,000.

Language is included in the bill under General Provisions—Department of Justice which permits funds made available to the Department for fiscal year 1982 to be expended for assistance to Cuban-Haitian entrants, including those under legally enforceable final orders of exclusion or deportation.

Language is included in the bill in Title II under Research and Statistics of the Department of Justice which permits the transfer of \$232,000 of reversionary funds from Law Enforcement Assistance for increased pay costs.

Language is included in the bill to allow transfers from Department of Defense appropriations to Research, development, test and evaluation accounts to meet increased pay costs.

Language is included in the bill which ratifies and confirms obligations to be incurred by the Department of Defense for pay and allowances for military personnel in anticipation of the enactment of this bill.

Language is included in the bill which prohibits the Department of Defense from purchasing coal or coke from foreign nations for use at United States defense facilities in Europe.

Language is included in the bill to enable the Corps of Engineers to provide a lump sum payment for seepage damages in the Sny

Island Levee and Drainage District, Illinois as specified in the agreement between the Corps, the District, and the landowners.

Language is included in the bill to provide pay comparability on wages of prevailing wage rate employees of the Corps of Engineers to be consistent with wages of comparable Federal employees in the same geographical area.

Language is included in the bill providing that appropriations for the Yatesville Lake construction project shall be made available for obligation in the amount designated for that project and without regard to any other designation.

Language is included in the bill for Migration and Refugee Assistance which clarifies the intention of previous legislation to fund a program for refugees and displaced persons in Africa.

Language is included under the Government National Mortgage Association, Special Assistance Functions Fund, that cancels the legislative limitation on the amount of authority that can be used in 1982.

Language is included under the heading Administrative Provisions that modifies a limitation carried in the 1982 HUD-Independent Agencies Appropriation Act and provides that loans made in 1982 under the Section 202 program not be subject to the rules published on May 11, 1982.

Language included in the bill under Bureau of Land Management, Management of Lands and Resources, authorizes the Secretary of the Interior and the Secretary of Agriculture to enter into contracts with state and local government entities for procurement of services in the presuppression, detection, and suppression of fires on conservation system units.

Language included in the bill under National Park Service, Construction, makes the appropriation for the reconstruction of the Filene Center at the Wolf Trap Farm Park available for obligation only upon enactment of authorizing legislation.

Language included in the bill under National Park Service, Construction, authorizes the Park Service, through the Corps of Engineers to provide hydraulic fill to the Sandy Hook area of the Gateway National Recreation Area.

Language included in the bill under National Park Service, Land Acquisition and State Assistance provides \$6,500,000 for Cape Cod National Seashore, Massachusetts.

Language included in the bill under Office of Territorial Affairs, Trust Territory of the Pacific Islands, provides guidance on the conditions under which the resettlement and relocation of the Bikini people in the Marshall Islands shall be made. Language also provides that \$2,000,000 shall remain available for future ex gratia distribution to the people of Bikini Atoll.

Language included in the bill under National Forest System, Department of Agriculture makes the limitation provided for construction of forest roads by timber purchasers in Public Law 97-100 available without fiscal year limitation.

Language included in the bill under Fossil Energy Research and Development, Department of Energy returns the mining research and development activities of the Department of Energy to the Department of the Interior.

Language included in the bill under Department of Energy, Fossil Energy Research and Development, prohibits the use of any funds appropriated for fossil energy to be used to reduce staff below the employment level of July 1, 1982.

Language included in the bill under Salaries and expenses, Navajo and Hopi Indian Relocation Commission, makes \$7,831,000 appropriated in Public Law 97-100 available until expended.

Language included under the Interior and Related Agencies Chapter, Administrative Provision, prohibits any activity related to mineral leasing in the Seattle and Tacoma, Washington watersheds.

Language has been included under Department of Education, Compensatory education for the disadvantaged, concerning the allocation of funding to State and local educational agencies under title I, part A, subpart 1, of the Elementary and Secondary Education Act, as amended.

Language is included under Community Service Employment for Older Americans appropriating 80 percent of the funds for national grants or contracts and 20 percent for grants to States.

Language is included under Assistant Secretary for Health waiving section 2008(g) of the Public Health Service Act.

Language is included under Vocational and Adult Education providing that \$6,500,000 appropriated for fiscal year 1982 for State advisory councils under section 105 of the Vocational Education Act shall be used to provide to each State, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam, Trust Territory of the Pacific Islands, and Northern Mariana Islands an amount equal to the amount it received in the previous fiscal year.

Language is included under Legislative Branch, Administrative Provisions, to extend unobligated balances of the Capitol Police Board through fiscal year 1983.

Language is included which will extend the availability through September 30, 1983, of not to exceed \$125,000 of moving expense funds for the occupancy of the James Madison Memorial Building.

The bill would permit the unauthorized expenditure of \$9,945,000 from the Airport and Airway Trust Fund for reimbursement of expenses incurred by certificated air carriers in the security screening of passengers moving in foreign air transportation.

The bill includes language extending the availability of the fiscal year 1980 appropriation for Access highways to public recreation areas on certain lakes until September 30, 1984.

The bill includes language extending the availability of the Rail service assistance appropriation until expended.

The bill includes language restricting the jurisdiction of the ICC over certain Conrail trackage.

The bill includes language disapproving deferral D82-243 related to Commuter Rail Service.

Language is included in the bill restricting the use of funds appropriated for Commuter Rail Service.

The bill includes language reducing to \$100,000,000 the total commitments to guarantee loans for railroad rehabilitation and improvement.

Language is included in the bill limiting funds for rail labor assistance (title V) to arbitration claims filed on or before September 30, 1982.

The bill includes in Title II a provision prohibiting the use of funds for the implementation of the Federal Highway Administration's rule for design standards for resurfacing, restoration and rehabilitation of streets and highways other than freeways.

The bill provides authority for the General Services Administration to pay and otherwise liquidate certain claims against the government related to the operations of the Federal Buildings Fund and authorizes \$1,400,000 appropriated to the Secret Service in prior acts to remain available until expended.

The bill contains a general provision in Title III which restricts the amount of outside earned income that may be earned by a Member of Congress.

COMPLIANCE WITH RULE XIII—CLAUSE 3

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law; proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTION 101 OF PUBLIC LAW 97-51

SEC. 101. (a) * * *

* * * * *

(c) Notwithstanding the provisions of sections 102 and 106 of this joint resolution, such amounts as may be necessary for continuing projects and activities under all the conditions and to the extent and in the manner as provided in H.R. 4120, entitled the Legislative Branch Appropriation Act, 1982, as reported July 9, 1981; and the provisions of H.R. 4120 shall be effective as if enacted into law; *except that in applying the provisions under the heading "Capitol Police Board" the term "for obligations of fiscal years 1982 and 1983" shall be substituted for the term "for obligations of Fiscal Year 1982" and; except that the provisions of section 305(a), (b), and (d) of H.R. 4120 shall apply to any appropriation, fund or authority made available for the period October 1, 1981, through November 20, 1981, by this or any other Act.*

* * * * *

INFLATIONARY IMPACT STATEMENT

Pursuant to clause 2(1)(4), Rule XI of the House of Representatives, the Committee estimates that enactment of this bill would have minimal overall inflationary impact on prices and costs in the operation of the national economy.

The total amount recommended in the bill is about \$1.3 billion less than the President's budget request.

COMPARISONS WITH BUDGET RESOLUTION

In accordance with section 308(a)(1)(A) of the Congressional Budget Act of 1974 (Public Law 93-344), the following table provides comparisons between new budget authority set forth in the Concurrent Resolution on the Budget as allocated to the Committee on Appropriations under section 302 of the Act, and the fiscal year 1982 new budget authority contained in the accompanying bill:

[In billions]	
Section 302 allocation	\$459.3
Amount in prior appropriations	441.8
Amount in other pending supplementals	1.0
Amount remaining	16.5
Committee recommendations	14.4
Amount under allocation	2.1

FIVE-YEAR PROJECTIONS OF OUTLAYS

In compliance with section 308(a)(1)(B) of the Congressional Budget Act of 1974 (Public Law 93-344), the following table contains 5-year projections of the outlays associated with the net budget authority provided in the accompanying bill:

[In millions]	
Budget authority	¹ \$14,352
Outlays:	
Fiscal year 1982	6,436
Fiscal year 1983	2,054
Fiscal year 1984	179
Fiscal year 1985	220
Fiscal year 1986 and future years	463

¹Outlays associated with the \$5 billion budget authority for the Commodity Credit Corporation are not included per Congressional scorekeeping convention.

FINANCIAL ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

In accordance with section 308(a)(1)(C) of the Congressional Budget Act of 1974 (Public Law 93-344), the financial assistance to State and local governments is as follows:

[In millions]	
New budget authority	\$647
Fiscal year 1982 outlays resulting therefrom	147

ADDITIONAL VIEWS OF HON. VIRGINIA SMITH

MX MISSILE WARHEAD FUNDS

While I support this legislation as reported by the Appropriations Committee, I have serious reservations about the \$20.9 million in supplemental funds included in the bill for MX missile warhead production facilities.

We still do not have a basing plan for the MX missile. I fear that by providing the funds for the continued production of the MX warhead, we will be providing one of the major justifications in the future for going ahead with the whole MX missile system no matter what the final basing plan is. In the future, when some plan is finally put forth, no matter how bad or objectionable, the argument will surely be made that since we have already spent so much money on the project it would be foolish and wasteful not to go ahead to completion.

Funding for this program has not been subject to the close scrutiny that so many other Federal programs receive in this time when Federal dollars are more precious than ever. I agree with the administration witness who testified, when asked if we are putting the cart before the horse with this request, "Well, perhaps it is somewhat before the horse . . ."

The witness provided me with little assurance that the warhead now in production, and for which the request was made, will be compatible with the ultimate missile design and basing plan. He could state only that it was his belief and his understanding at the moment that they would be compatible. The track record for MX missile basing so far does not bolster my confidence that the warhead design will not have to be changed in the future when a final basing plan is decided upon.

VIRGINIA SMITH.

ADDITIONAL VIEWS OF CONGRESSMAN MICKEY EDWARDS

FISCAL YEAR 1982 SECURITY ASSISTANCE SUPPLEMENTAL

While sympathetic to the need for security assistance in specific cases, I am becoming increasingly concerned that our military aid is being used by recipients not to defend the free world against the Soviet threat, but to acquire weapons for use in intra-regional conflicts. As demonstrated in the recent Falkland Islands crisis, which saw American Skyhawk fighters sink British naval vessels, these weapons are sometimes employed in conflicts far removed from their original purpose and in ways detrimental to our national interests.

All too frequently, we hear arguments that security assistance is needed to demonstrate American support to countries from which we desire cooperation, usually in the form of access to military bases. I am deeply concerned about this trend. Although it may be necessary to purchase the cooperation of a strategically vital country at times, to institutionalize this practice prostitutes our legitimate security needs. If our armed forces are so weak as to not be able to defend U.S. interests, then money spent on security assistance to other countries should be used instead to build up our own military might.

Our security interests and those of our allies should be closely parallel. If they are not, then in a real showdown our "ally" might well renege on its agreement to provide bases or support facilities in order to avoid reprisal. If we are concerned about the Finlandization of our NATO and Japanese allies, how reliable are those whose cooperation we purchase through weapons sales and credits?

Our security assistance program also places us in an interesting, and potentially tragic dilemma. On the one hand, we have allowed our military to become weakened to the point where the Administration, regardless of party, feels insecure in the face of aggressive policies pursued by the Soviet Union and surrogates such as Cuba, North Yemen, Libya, and Vietman. Feeling vulnerable, we enter into strategic alliances with any government—friend or foe, democratic or authoritarian, liberal or repressive—in order to counter-balance the Soviet threat.

On the other hand, the strength of the United States both internally and in the eyes of the world has been its support of principles such as freedom, human dignity, democracy, and private enterprise. As long as the United States remained sufficiently strong, principles could guide our foreign policy. Mistakes and the arrogance of power aside, this approach clarified which countries were our friends, which enemies, and which pursued an independent path. Today, in a moment of perceived weakness, principles are set

aside and distinctions between governments which deserve our support and those which do not have become confused.

One example of this is our frequent backing of repressive regimes which abuse the rights of their own citizens. When locally supported, but communist-backed, insurgenices arise in these countries, we are placed in a box from which there seems no escape: the threat to our "allies" seems to require that we provide them with arms, yet these arms are then used against their own citizens who are resisting government policies we ourselves abhor. But if we do not supply the weapons, the country will almost certainly fall under communist rule. We are seeing multiple examples of this type of dilemma in Latin America.

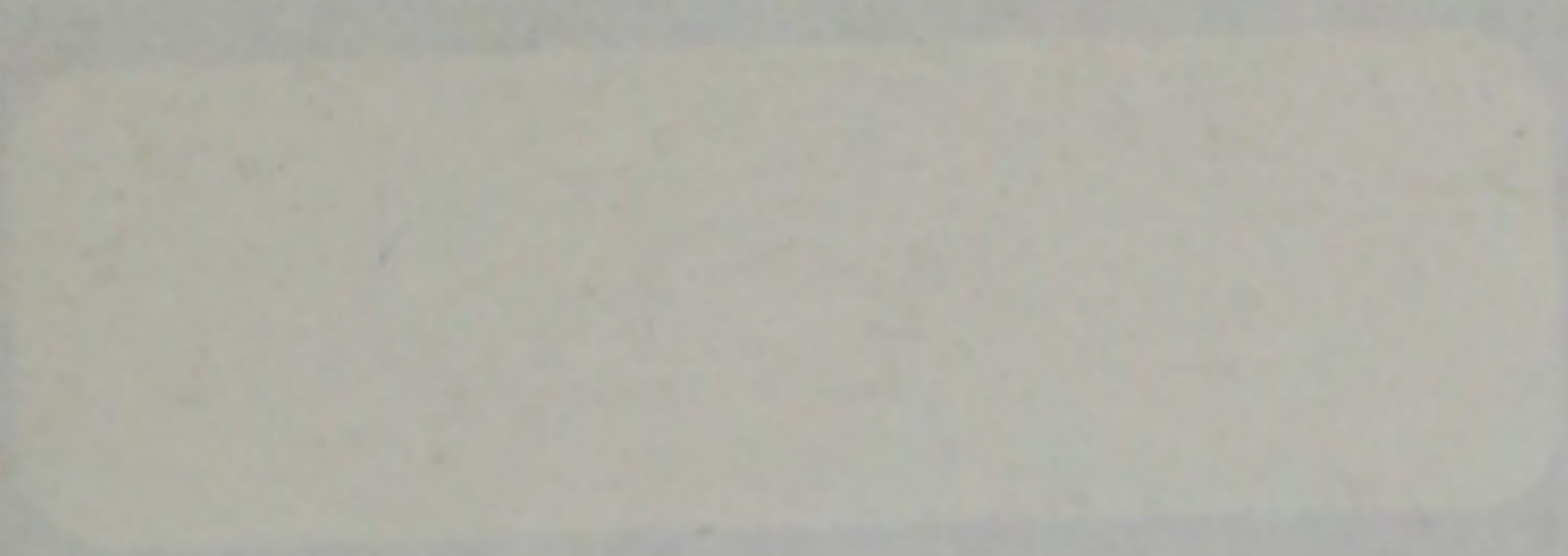
This is an absolutely untenable position from which to attempt to formulate an intelligent foreign policy. Containment of communism is not only an immediate necessity, as it has been for many years now, it is an essential *first* step in anything we do internationally. But it is not the *only* step. Supporting non-supportable governments is not a reasonable foreign policy response; it only places us at the base of a house of cards that is sure to fall.

Another Catch-22 can be found in the Middle East, where we are supplying billions of dollars in sophisticated weaponry to both sides of the Israeli-Arab dispute. The likelihood of our weapons being used by both sides against each other is high, although the principal reason we are providing the arms is to build a strategic consensus against the Soviet Union and its regional proxies.

Yet another problem is our arms sales policy in regard to China and Taiwan. We have been withholding weapons from Taipei in order to gain the strategic cooperation of Beijing. Taiwan, which has been a faithful ally since World War II, probably has a legitimate need for defensive weapons. The PRC, on the other hand, has demonstrated that it intends to follow its communist policies and that its ties to the United States will be limited to countering the mutual Soviet threat. It is troubling that we sometimes use our security assistance program to politically undermine friendly governments to appease regimes whose long-range interests are so inimical to our own.

These and other problems indicate to me that our security assistance program is not being properly utilized as an instrument of national policy. It seems to me, therefore, that it is time for planners in the Pentagon and the State Department to begin to more clearly define the immediate and potential, direct and indirect, threats to the United States, and to formulate some new policies to insure that our resources are being properly used to achieve our security objectives.

MICKEY EDWARDS.



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