THE BUDGET OF THE UNITED STATES GOVERNMENT

FISCAL YEAR 1978

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THE BUDGET DOCUMENTS

Data and analyses relating to the budget for 1978 are published in six documents:

The Budget of the United States Government, 1978 contains the information that most users of the budget would normally need, including the Budget Message of the President. The *Budget* presents an overview of the President's budget proposals and includes explanations of spending programs and estimated receipts. This document also contains a description of the budget system and various summary tables on the budget as a whole. (Price $3.45.)

The Budget of the United States Government, 1978—Appendix contains detailed information on the various appropriations and funds that comprise the budget.

The *Appendix* contains more detailed information than any of the other budget documents. It includes for each agency: the proposed text of appropriation language, budget schedules for each account, explanations of the work to be performed and the funds needed, proposed general provisions applicable to the appropriations of entire agencies or groups of agencies, and schedules of permanent positions. Supplementals, and rescission proposals for the current year, and new legislative proposals, are presented separately. Information is also provided on certain activities whose outlays are not part of the budget totals. (Price $13.00.)

Special Analyses, Budget of the United States Government, 1978 contains 17 special analyses that are designed to highlight specified program areas or provide other significant presentations of Federal budget data.

This document includes analytical information about: Government finances and operations as a whole and how they affect the economy; Government-wide program and financial information for Federal education, training and employment, health, income security, civil rights, and crime reduction programs; trends and developments in the areas of Federal aid to State and local governments, research and development, and environmental protection. (Price $2.70.)

The United States Budget in Brief, 1978 provides a more concise, less technical overview of the 1978 budget than the above volumes. Summary and historical tables on the Federal budget and debt are also provided, together with graphic displays. (Price $1.15.)

Issues '78 provides greater background information than any other general executive branch document on major budget and program decisions reflected in the President's Budget and on certain major issues confronting the Nation this year and in the future. Published for the first time with the 1977 budget (as "Seventy Issues"), this document is intended for a general audience rather than for those with particular interests. (Price not available at time of publication.)

The Budget of the United States Government, 1978—Supplement contains the President's recommendations on Executive, Legislative, and Judicial salaries and is transmitted pursuant to section 225 of Public Law 90–206 (2 U.S.C. 351 et. seq.). (Price not available at time of publication.)

GENERAL NOTES

1. All years referred to are fiscal years, unless otherwise noted.
2. Detail in the tables, text, and charts of this volume may not add to the totals because of rounding.

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PART 1

THE BUDGET MESSAGE OF THE PRESIDENT

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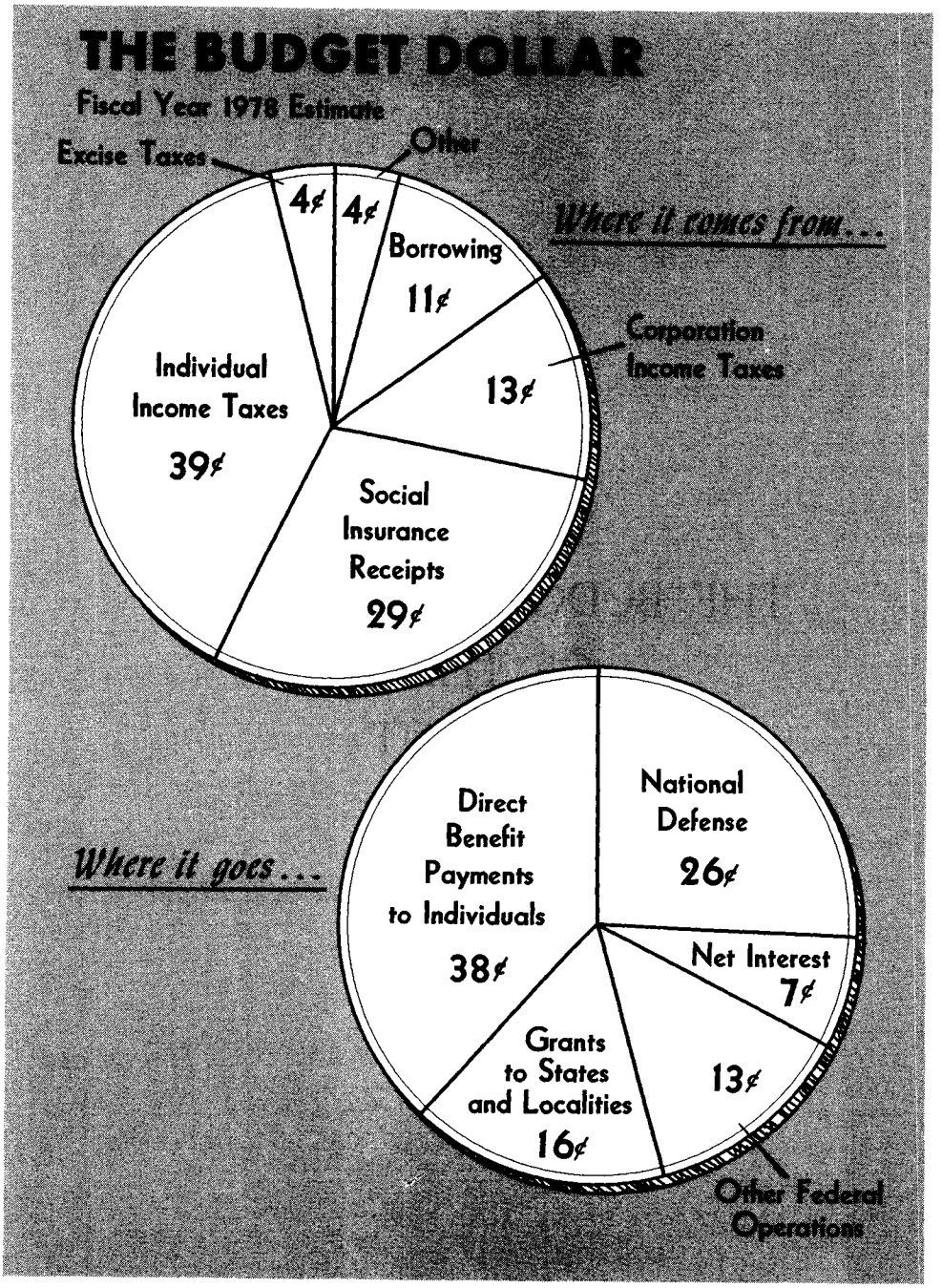

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BUDGET MESSAGE OF THE PRESIDENT

To the Congress of the United States:

The budget is the President's blueprint for the operation of the Government in the year ahead. It records his views on priorities and directions for the future—balancing the American desire to solve every perceived problem at once with the practical reality of limited resources and competing needs.

The thirty budgets I have either shaped or helped to shape are a chronicle of our lives and times. They tell us what we have aspired to be and what we have been in fact. They tell us about the growing complexity of our society, about the changing and growing role of our Government, and about new problems we have identified and our attempts to solve them.

In shaping my budgets as President, I have sought to renew the basic questions about the composition and direction of the Government and its programs. In my reviews of existing and proposed programs and activities I have asked:

—Is this activity important to our national security or sense of social equity?

—Is this activity sufficiently important to require that we tax our people or borrow funds to pay for it?

—Must the Federal Government raise the taxes or borrow the funds or should State or local government do so?

—Should the Federal Government direct and manage the activity or should it limit its role to the provision of financing?

—How has the program performed in the past? Have the benefits outweighed the costs in dollars or other burdens imposed?

—Have the benefits gone to the intended beneficiary?

—Does this activity conflict with or overlap another?

As a result of these reviews I have proposed to reverse some trends and to accelerate others.

I have proposed, and repropose this year, a marked slowdown in the rate of growth in Government spending. Over the last three decades, Federal, State, and local government spending has grown from 18% of GNP to 34% of GNP. Federal spending growth has averaged 10% per year over the last decade. And even these percentages do not tell the whole story. As the budget documents illustrate, there has been a trend over the last few years toward so-called "off-budget" spending. This is an undesirable practice because it obscures

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the real impact of the Federal Government and makes it more difficult for any but the most technically knowledgeable citizens to understand what their Government is doing. Therefore, I am calling for legislation to halt this practice so that our budget system will fully reflect the financial activities of the Government.

In a related attempt to gain greater control over the rate of growth of Government spending I have given special attention this year to spending plans for fiscal year 1979, the year after the budget year. For the first time, the Federal budget shows detailed planning amounts for the year beyond the budget year. This innovation grows out of my conviction that our only real hope of curbing the growth of Federal spending is to plan further in advance and to discipline ourselves to stick to those plans.

From the standpoint of deficits of most recent years the 1978 budget I present shows us fairly close to balance in 1979 and shows balanced budgets thereafter. The effects on 1978 and 1979 spending of congressional action in the last session rejecting many of the restraints I proposed for the current fiscal year, 1977, made total balance in 1979 impossible unless I was willing to abandon, at least in part, the further immediate tax relief I have advocated since October of 1975 and, for no reason other than being able to show such a 1979 balance, cut back from program levels I feel are justified. These alternatives were unacceptable, but given the greatly reduced deficit for 1979 this budget implies, congressional cooperation on the restraints I propose and a slightly better economic performance in the months ahead than we have used in preparing this 1978 budget, it is entirely possible that when the 1979 budget is due to be submitted, a year from now, it could be in total balance as I have strived to achieve.

With restraint on the growth of Federal spending, we can begin to provide permanent tax reductions to ease the burden on middle-income taxpayers and businesses. For too long Government has presumed that it is "entitled" to the additional tax revenues generated as inflation and increases in real income push taxpayers into higher tax brackets. We need to reverse this presumption. We need to put the burden of proof on the Government to demonstrate the reasons why individuals and businesses should not keep the income and wealth they produce. Accordingly, my long-term budget projections assume further tax relief will be provided, rather than presuming, as has been the practice in the past, that positive margins of receipts over expenditures that show up in projections are "surpluses" or "fiscal dividends" that must be used primarily for more Federal spending, on existing or new programs or both.

One trend has been reversed in the past two years. After several years of decline in real spending for national security purposes the

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Congress has agreed in substantial part to my recommendations for increases in defense spending. The budget I propose this year and the planning levels for the succeeding four years assume a continuation of this real growth trend. My recommendations are the result of a careful assessment of our own defense posture and that of our potential adversaries. In this area as in all others, I am recommending spending I consider essential while at the same time proposing savings in outmoded or unwarranted activities. For the longer term, my recommendations recognize the simple fact that we must plan now for the defense systems we will need 10 years from now.

This same approach was reflected last year in my recommendations for the Federal Government's basic research and development programs. In spite of the financial pressures on the Federal budget, I recommended real growth. I am again proposing real growth for basic research and development programs this year because I am convinced that we must maintain our world leadership in science and technology in order to increase our national productivity and attain the better life we want for our people and the rest of the world.

I am also calling again for an end to the proliferation of new Federal programs and for consolidation of many of the programs we now have. At last count there are 1,044 programs identified in the Catalog of Federal Domestic Assistance. While our Nation has many needs, there is no rational justification for the maze that has been created.

Overlap and duplication are not the only defects of these programs; nor are they the most serious. More importantly, the current programs too often fail to aid the intended beneficiaries as much as expected, rewarding instead those who have learned how to work the Washington system. Some of these programs fail to pinpoint responsibility and accountability for performance and too many impose a managerial and operating burden on the Federal Government, diverting attention from the functions that must be performed at the Federal level and at the same time usurping the proper roles of State and local governments and the private sector.

If we could ever afford the "luxury" of this inefficiency and ineptitude, we can no longer. Federal programs for health services, elementary and secondary education, child nutrition and welfare, for example, are areas that desperately need reform. I called for action last year and prepared detailed legislative proposals. Those who truly care about the needs of our people will not let another year go by without reform. There is no excuse, for example, for the Federal Government to have 15 different child nutrition programs spending over $3 billion per year and still have 700,000 children from families below the poverty line who receive no aid. Nor is there any reason to take the money out of the taxpayers' pockets to subsidize their own children's school lunch.

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It will take real courage to correct these problems and the others I have identified for congressional action without following the all too familiar pattern of the past—simply adding more programs. But, increasingly, courage is not a choice; it is an absolute requirement if we are to avoid ever larger, less responsive government.

The task ahead will not be easy because it will require some fundamental changes in our expectations for Government. As a start, we need to understand that income and wealth are not produced in Washington, they are only redistributed there. As a corollary, we need to overcome the idea that Members of the Congress are elected to bring home Federal projects for their district or State. Until this idea is totally rejected, higher funding levels for old programs and more new programs will be enacted each year as Members of the Congress seek to insure their reelection. We also need to overcome the prevalent attitude that only new programs with multibillion-dollar price tags are worthy of media attention and public discussion and worthy of being judged bold and innovative. The multitude of programs already in a budget of more than $400 billion and initiatives to do something about them are worthy of intense public scrutiny, discussion and judgment in their own right.

These changes in attitude will require leadership not only by the executive branch, but, at least equally important, on the part of each Member of the Congress. Members of the Congress must begin to share the burden of the President in saying no to special interest groups—even those in their own districts or States.

The changes that have occurred in the congressional budgetmaking process in recent years provide some basis for optimism for the future. The new budget committees have begun to provide a counterbalance to the spending and taxing committees, offering hope that the total effect of the splintered actions of the other committees will be given equal weight in the congressional process.

But more progress is needed. Just as the budget process cannot do the whole job in the executive branch, it cannot in the Congress either. No matter how streamlined and properly organized the departments and agencies of the executive branch or the committees and subcommittees of the Congress become—and there is surely room for substantial improvement in this respect at both ends of Pennsylvania Avenue—the executive branch must continue to refine and the Congress must adopt processes whereby recommendations to the President or to the House or Senate, as the case may be, on major issues are developed by task force groups representing the competing priorities of various departments and agencies and of the various congressional committees and subcommittees. The reason is simply that most major

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issues cut across jurisdictional lines, no matter how well drawn—energy, international affairs, and welfare reform, to name but a few examples. I urge the new administration to build on what has been accomplished in this regard in the executive branch. I urge the Congress promptly to put into place the necessary counterpart mechanisms. Such improvements in process, coupled with further progress in the development of the budget process, will help substantially in addressing and meeting our problems and attaining the goals we have set for our Nation.

The last thirty budgets record a turbulent period in our history; wars, domestic strife and serious economic problems. In the last two years, we have laid the foundation for a positive future. We have stabilized international relationships and created the framework for global progress. At home, we have restored confidence in government while reversing the trends of inflation and unemployment. Building on this solid base, the policies and programs contained in this budget can help us to fulfill the promise of America.

GERALD R. FORD

JANUARY 17, 1977.

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PART 2

BUDGET SUMMARY

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BUDGET SUMMARY

This part of the Budget discusses the budget totals, major proposals contained in the budget, and fiscal activities that are not included within the budget totals.

THE BUDGET TOTALS

The President's budget recommendations call for outlays of $440 billion in 1978, an increase of 7.0% from this year, and $466 billion in 1979, an increase of 5.9% from 1978. In the 10 years through 1977, increases in budget outlays average 10%. As noted in the next section, a number of program restraints and reforms, resulting in $12.4 billion in savings in 1978 and $22.4 billion in 1979, will be necessary to hold the increase in Federal spending to the amounts in this budget. These spending restraints and reforms make it possible to provide added funds for high priority programs, to reduce income taxes in 1977 and again in future years and, at the same time, to reduce the deficit to near balance in 1979. Most of the savings from spending restraints and program reforms will require congressional agreement.

The President proposes a reduction in income taxes, retroactive to January 1, 1977, that will provide $7.2 billion of tax relief in 1977 and $14.7 billion in 1978 relative to extension of current tax law. He also proposes further income tax cuts of $7.3 billion in 1980, $19.6 billion in 1981, and $30.6 billion in 1982 to offset the rise in effective tax rates that would otherwise occur as inflation and real growth move taxpayers into higher tax brackets.

Major changes are also proposed in the structure of the income tax system, such as integration of individual and corporation income taxes to eliminate double taxation of corporate dividends. An increase in social security tax rates is necessary to maintain the financial integrity of the system.

Taking these tax proposals into account, total anticipated receipts are $393.0 billion for 1978, an increase of 11.0% from this year, and $454.4 billion for 1979, an increase of 15.6% from 1978.

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THE BUDGET TOTALS

[In billions of dollars]

Item	1976 actual	TQ actual	1977 estimate	1978 estimate	1979 estimate
Budget receipts	300.0	81.8	354.0	393.0	454.4
Budget outlays	366.5	94.8	411.2	440.0	466.0
Budget deficit (−)	**−66.5**	**−13.0**	**−57.2**	**−47.0**	**−11.6**
Deficit of off-budget Federal entities	*−7.2*	*−1.8*	*−10.8*	*−9.2*	*−10.9*
Total deficit (−)	*−73.7*	*−14.7*	*−68.0*	*−56.1*	*−22.5*

Off-budget outlays.—Not all budget authority and outlays of Federal agencies are included within the budget totals; some fiscal entities (most of which carry out loan programs) are required under provisions of law to be excluded from the budget. Such "off-budget" spending does not differ in nature, in effect, or in concept from spending under similar programs included in the budget; financing of this spending adds to Federal borrowing requirements and to the Federal debt. The President recommends legislation to restore transactions of off-budget Federal entities to the budget beginning with next year's budget. Off-budget Federal entities and other fiscal activities not explicitly covered by the budget (such as loan guarantee programs and tax expenditures) are discussed in the last section of this Part.

Additional focus on outyears.—In an effort to focus more attention on the crucial "outyear" effects of current proposals, last year's budget discussion of the Federal program by function noted the next year's effects of major proposals. This budget goes further. In most tables in this document, 1979 numbers are displayed with the numbers for the budget year, 1978. These 1979 figures reflect, insofar as practicable, not only the 1979 effects of the 1978 budget, but anticipated 1979 initiatives as well.

The need to look ahead is well demonstrated by the next two tables. The first, The Budget Margin, 1977–82, shows the longer term implications of this budget. The second, The Margin, 1977–82, Without the President's Proposals, is intended to indicate what such margins in the outyears might look like if the President's proposed spending restraints and reforms and proposed tax changes were not adopted. The adjustments from the budget totals to arrive at the numbers in this second table are explained in more detail in subsequent sections of this Part 2.

The first table illustrates that the President's program yields a margin of $14.3 billion in 1982 after taking into account the off-budget outlays. However, the only reason there is a margin is the automatic

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THE BUDGET MARGIN, 1977–82

[In billions of dollars]

	1977	1978	1979	1980	1981	1982
Receipts under current law and tax proposals and adjustments	354.0	393.0	454.4	510.0	553.1	587.3
Outlays under current and proposed programs	411.2	440.0	466.0	496.6	527.0	558.7
Margin under current law and proposed changes	—57.2	—47.0	—11.6	13.4	26.1	28.6
Deficit of off-budget Federal entities	*—10.8*	*—9.2*	*—10.9*	*—12.1*	*—13.1*	*—14.3*
Margin including off-budget Federal entities [1]	*—68.0*	*—56.1*	*—22.5*	*1.4*	*13.0*	*14.3*

[1] For possible kinds of competing uses of the margins, see text following next table.

increase in the ratio of tax liabilities to personal income that occurs between 1977 and 1979 as inflation and real growth push taxpayers into higher tax brackets after 1977. (The President's proposed tax cuts for 1980–82 mentioned earlier would prevent such increases after 1979.) Additional personal income tax cuts of $16.7 billion in 1980, $26.9 billion in 1981, and $29.0 billion in 1982 would be required to reduce the tax burden to the proposed 1977 level.

The next table shows the budget margin using current tax law extended to determine receipts and using a current services concept to determine outlays. Under that concept, the outlay estimates reflect the anticipated cost of continuing Federal programs without the policy changes proposed by the President. Even though outlays on a current services basis are considerably higher than under the President's program, the margin is larger because the tax burden is very much higher without the President's tax recommendations. His recommended personal income tax reductions and social security tax increases provide a net reduction in the tax burden of $47.5 billion by 1982.

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THE MARGIN, 1977–82, WITHOUT THE PRESIDENT'S PROPOSALS

[In billions of dollars]

	1977	1978	1979	1980	1981	1982
Receipts under current tax law, extended	360.9	407.6	465.0	526.4	584.6	634.8
Outlays without proposed increases or restraints	411.2	445.4	472.7	502.1	531.5	564.8
Margin, without the President's proposals	−50.3	−37.8	−7.7	24.3	53.0	70.0
Deficit of off-budget Federal entities	*−10.8*	*−9.2*	*−10.9*	*−12.1*	*−13.1*	*−14.3*
Margin, including off-budget Federal entities	*−61.1*	*−46.9*	*−18.6*	*12.2*	*40.0*	*55.7*
MEMORANDUM						
Examples of possible use of the margin: [1]						
The President's tax program (net), exclusive of next line item	−6.9	−14.9	−10.6	−9.1	−11.9	−16.9
The President's proposal to reduce the average individual income tax rate to 1979 level	------	------	------	−7.3	−19.6	−30.6
Further reduction of the average individual income tax rate to 1977 level	------	------	------	−16.7	−26.9	−29.0
Inflation adjustments [2]	------	−2.1	−4.7	−7.1	−9.4	−11.5
Costs of renewal of antirecession financial assistance and other temporary programs	------	−2.0	−2.8	−2.0	−.7	−.5
Debt reduction (up to ½% of GNP)	------	------	------	−12.6	−13.7	−14.6
New programs and program growth	------	------	------	(3)	(3)	(3)
Other tax relief for individuals and tax incentives for business	------	------	------	(3)	(3)	(3)

[1] It is obvious that some of these alternatives are mutually exclusive if the budget is to remain in balance in 1980–82.
[2] This outlay adjustment is for inflation only in programs that were not so adjusted in arriving at the outlays shown in the table. See text.
[3] Amounts are dependent on costs of the particular initiatives undertaken.

Even though the margins shown above are larger than the margins implied by the President's program, it can easily be shown that in either case there are competing uses of resources in the 1980's, which

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could far exceed the margin. The memorandum section of the table clearly illustrates this point. First, the only reason that there is any margin at all is that automatic increases occur in the average personal income tax rate as inflation and real growth push taxpayers into higher tax brackets after 1977. The first two line items in the memorandum section illustrate the net effect on such margin of the President's tax proposals. Since the outlays in the table do not reflect the President's outlay constraints, the President's tax proposals would more than absorb the margin in 1980, but do leave some margin in 1981 and 1982. The third line item shows the additional tax cut that would be necessary to reduce the ratio of individual income tax liabilities to personal income in the outyears back down to the 1977 ratio that results from the President's proposals. This would more than absorb the remaining 1981 and 1982 margins.

Current services outlay estimates only adjust indexed programs and major capital purchases for inflation, and, therefore, imply that the level of other programs in constant dollars erodes through time. The fourth line item shows the inflation adjustment necessary to prevent such erosion in program levels. The fifth line item shows the impact of limited renewal of antirecession programs enacted as temporary programs. It should be noted that the economy is assumed to be operating at full capacity in the early 1980's, and in these circumstances most economists would advocate that the Federal Government run a surplus—and thus retire debt—in order to provide savings for capital formation. The sixth line item shows the amount that would be required to reduce the national debt by one-half of 1 percent of GNP. Obviously, to attain this level of debt reduction in 1980 there would have to be some cut in outlays from current services levels. New programs, program growth, or other tax cuts are also possible uses of the margin, the cost of which would be dependent on the particular initiatives.

It is recommended, as a useful next step in the improvement of the Government's budget process, that next year's budget also give such additional attention to the second year beyond the budget year rather than just the first. It would also be useful for congressional budget data consistently to reflect the longer range impact of budget year data at each step in the congressional budget process.

Changes in the budget over time.—Notwithstanding every effort to refine and apply the best estimating techniques available, the estimates set forth in the budget will turn out to be different from the actual figures recorded at the end of 1978—a year and 8 months from the time they are submitted to the Congress. There will be many reasons for the differences. Economic assumptions, covered in Part

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BUDGET AUTHORITY

[In billions of dollars]

Description	1976 actual	TQ actual	1977 estimate	1978 estimate
Available through current action by Congress:				
Enacted and pending:				
Appropriations	266.9	55.3	264.5	.....
Rescissions pending	.....	.....	−1.1	.....
Proposed in this budget:				
Appropriation requests	.....	.....	5.6	303.2
Supplemental requests	.....	.....	18.4	.....
To be requested separately:				
Under existing legislation	.....	.....	0.1	0.7
Upon enactment of proposed legislation	.....	.....	0.2	3.6
Allowances:				
Civilian agencies [1]	.....	.....	.....	2.9
Department of Defense—Military [2]	.....	.....	.....	2.4
Subtotal, available through current action of the Congress	266.9	55.3	287.7	312.9
Available without current action by the Congress (permanent authorizations): [3]				
Trust funds (existing law)	145.9	35.2	153.6	171.5
Interest on the public debt	37.1	8.1	42.0	44.6
Other	18.8	3.4	12.0	12.5
Deductions for offsetting receipts	−53.3	−10.5	−59.5	−61.1
Total, budget authority	415.3	91.4	435.9	480.4
MEMORANDUM				
Budget authority for off-budget Federal entities:				
Available through current action by the Congress	*0.6*	*	*0.9*	*83.8*
Available without current action by the Congress	*9.0*	*3.5*	*12.3*	*10.1*
Total, off-budget Federal entities	*9.6*	*3.5*	*13.2*	*93.8*
Total budget authority including off-budget Federal entities	*424.9*	*94.9*	*449.1*	*574.3*

*Less than $50 million.
[1] Includes allowances for civilian agency pay raises and contingencies.
[2] Includes allowances for civilian and military pay raises for Department of Defense.
[3] Allowances for relatively uncontrollable programs with permanent authorizations are estimated at zero.

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3, are never completely accurate. Differences between actual economic conditions and those assumed can materially affect both outlays and receipts. For example, if the annual rate of economic expansion in calendar years 1977 and 1978 were to be 1 percentage point higher than has been assumed, the 1978 deficit would be reduced by about $7.5 billion. Furthermore, in many programs benefits are paid automatically to those who meet specified criteria. Thus, the rate at which individuals or States and localities apply for benefits can have a major effect on the level of Federal spending. Particularly in the case of new programs, or programs that have recently undergone substantial change, the number of eligible applicants is difficult to predict accurately. Finally, congressional rejection of Presidential decisions, and other factors can also cause substantial changes to the budget estimates.

These points are well illustrated by what happened to the President's budget for 1976 and the transition quarter, now completed, and what has happened thus far to his 1977 budget. Part 6 of the budget contains a reconciliation for 1976 and the transition quarter of actual outlays for relatively uncontrollable programs with the original budget estimates for those programs, and a similar reconciliation for receipts.

Budget authority.—In order for Federal agencies to spend money, Congress must first provide budget authority in one way or another. For 1978, $480.4 billion in budget authority is requested for those Federal operations included within the budget totals. Another $93.8 billion in budget authority is requested for Federal entities excluded by statute from the budget totals.

Of the budget authority included within the budget totals, only about 65% will require current action by the Congress to become available; the rest is already available under prior legislation. Also, only about 65% of the budget authority provided for on-budget activities for 1978 will be spent in that year; the rest will carry over for spending in 1979 and subsequent years.

Budget authority is discussed more fully in Parts 6 and 7.

BUDGET PROPOSALS

In his budget message last year, the President stated that an important dimension of the budget is the way it sorts out priorities and that in formulating the 1977 budget he tried to achieve fairness and balance:

—between the taxpayer and those who will benefit by Federal spending;

—between national security and other pressing needs;

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—between our own generation and the world we want to leave to our children;
—between those in some need and those most in need;
—between the programs we already have and those we would like to have;
—between aid to individuals and aid to State and local governments;
—between immediate implementation of a good idea and the need to allow time for transition;
—between the desire to solve our problems quickly and the realization that for some problems, good solutions will take more time; and
—between Federal control and direction to assure achievement of common goals and the recognition that State and local governments and individuals may do as well or better without restraints.

The President's 1978 budget decisions were made on the same basis. This budget proposes increases for those areas that must have high priority, such as basic programs that meet essential human needs, defense, and energy. At the same time, to permit these high-priority increases and yet slow the rate of growth of total federal spending to a rate that is compatible with tax relief and sustainable over time, spending for many programs has been restrained—in some cases slightly, and in others substantially.

The following table relates these increases and decreases to the budget totals.

EFFECTS OF BUDGET PROPOSALS [1]

[In billions of dollars]

	1977	1978	1979	1980	1981	1982
Receipts:						
Under current tax law, extended	360.9	407.6	465.0	526.4	584.6	634.8
Proposed tax reductions	−7.2	−16.3	−17.6	−28.3	−45.4	−62.3
Proposed tax increases	.3	1.7	7.0	11.9	13.9	14.8
Budget receipts	**354.0**	**393.0**	**454.0**	**510.0**	**553.1**	**587.3**
Outlays:						
Current programs, unchanged	411.2	445.4	472.7	502.1	531.5	564.8
Proposed increases	1.2	7.0	15.7	21.1	26.7	30.1
Proposed reductions	−1.2	−12.4	−22.4	−26.6	−31.3	−36.2
Budget outlays	**411.2**	**440.0**	**466.0**	**496.6**	**527.0**	**558.7**
Deficit (−) or margin:						
Under current programs unchanged	−50.3	−37.8	−7.7	24.3	53.0	70.0
Budget deficit(−)	**−57.2**	**−47.0**	**−11.6**	**13.4**	**26.1**	**28.6**

[1] Totals do not reflect the recommendation to restore off-budget Federal entities to the budget.

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Initiatives and program increases.—Among the major program expansions and new programs proposed in the 1978 budget are defense modernization, increases in education and health programs, several important energy initiatives, increases in research and development programs, and the Bicentennial land heritage program. The following listing shows these proposed 1978 budget increases from an estimated "current services" budget base.

OUTLAY INCREASES DUE TO PROPOSED NEW PROGRAMS AND PROGRAM INCREASES, 1977–79

[In millions of dollars]

Function and program	Outlay increases		
	1977	1978	1979
PROPOSED ACTIONS REQUIRING SUBSTANTIVE LEGISLATION			
National defense:			
Modify personnel and retirement systems to meet long-term objectives	------	92	181
International affairs:			
Fund U.S. participation in Sahel development program	------	5	19
Fund U.S. participation in balance of payments assistance loan for Portugal	300	130	120
Natural resources, environment, and energy:			
Establish an Energy Independence Authority to assist private industry in developing U.S. energy resources	------	42	55
Create Bicentennial land heritage program to rehabilitate and expand parks and wildlife refuges	145	189	134
Increase price of migratory bird hunting and conservation stamps to permit increased acquisition of migratory bird refuges on a self-financing basis	------	10	10
Reform EPA sewage plant construction grant programs to focus funding on high-priority improvements and to reduce the long-term Federal commitment	50	−50	780
Community and regional development:			
Renew and revise expiring program authorized by the Indian Financing Act of 1974	------	------	12
Authorization for administrative expenses for 1977 grants under the local public works program	------	3	2
Education, training, employment, and social services:			
Consolidate 23 existing categorical grant programs into a single elementary and secondary education block grant to States	------	*	72
Health:			
Expand medicare services covered by hospital insurance to include unlimited stays in nonpsychiatric hospitals and skilled nursing facilities, and limit beneficiary liability to $500 a year, effective June 1, 1978	------	250	1,750
Limit medicare beneficiary liability for services covered by supplementary medical insurance to $250 a year, effective January 1, 1978	------	344	679
Upgrade facilities of St. Elizabeths Hospital for transfer to the District of Columbia Government	------	1	5

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OUTLAY INCREASES DUE TO PROPOSED NEW PROGRAMS AND PROGRAM INCREASES, 1977–79—Continued

[In millions of dollars]

Function and program	Outlay increases		
	1977	1978	1979
PROPOSED ACTIONS REQUIRING SUBSTANTIVE LEGISLATION—Continued			
Veterans benefits and services:			
Provide grants to States for construction and maintenance of veterans cemeteries	------	4	5
General government:			
Fund rehabilitation of Enewetak Atoll, ex gratia payments to residents of Rongelap and Utirik Atolls, and typhoon-proofing of public facilities on Guam	11	9	5
Extend the Council on Wage and Price Stability	------	2	2
Revenue sharing and general purpose fiscal assistance:			
Provide financial incentive for State and local governments to issue taxable securities	------	44	114
Total, proposed actions requiring substantive legislation	506	1,075	3,945
ITEMS NOT REQUIRING SUBSTANTIVE LEGISLATION			
National defense:			
Increase Defense Department purchases in real terms for supplies, fuel, training, recruiting, and other operations and maintenance activities	------	620	1,118
Increase Defense Department procurement in real terms for essential weapons systems acquisition	------	606	2,840
Increase Defense Department research, development, test and evaluation for new weapons systems development in real terms to provide for necessary future defense modernization	------	600	1,222
Increase military construction to permit accelerated modernization of domestic installations	------	------	87
Increase funding for military housing to remove deficiencies, such as temporary World War II facilities	------	57	183
Increase funding for military assistance education and training	------	8	8
Increase nuclear weapons research and development, nuclear waste management projects, and related activities	------	88	216
Acquire potential shortage materials for strategic stockpile	------	183	265
International affairs:			
Help less-developed countries establish their own volunteer programs (Peace Corps)	------	1	1
Provide capital replenishment for international financial institutions	3	204	360
Increase U.S. contributions to U.N. programs and International Atomic Energy Agency	18	26	40
Increase funding for economic development assistance to less-developed countries	------	100	113
Provide relief and reconstruction assistance for Lebanon	------	10	10
Increase AID operations to support economic development assistance	------	24	27
Increase international educational and cultural exchange activities	------	3	6
Replenish emergency refugee assistance fund	------	15	15
Make up arrears and shortfalls in U.S. contributions to U.N., UNESCO, and OAS	56	26	37

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OUTLAY INCREASES DUE TO PROPOSED NEW PROGRAMS AND PROGRAM INCREASES, 1977–79—Continued

[In millions of dollars]

Function and program	Outlay increases		
	1977	1978	1979
ITEMS NOT REQUIRING SUBSTANTIVE LEGISLATION—Con.			
International affairs—Continued			
Increased funding for migration and refugee assistance activities	8	14	16
Resume construction on the Tijuana flood control project and begin the Amistad powerplant	------	7	13
Provide further funds to support the Eighth Pan American Games in Puerto Rico	1	3	2
Increased funding for Export-Import Bank to meet growth in export demand	------	60	280
General science, space, and technology:			
Fund two additional space shuttle orbiters and new space projects, including the space telescope project	------	88	503
Increase National Science Foundation funding for basic research and earthquake engineering	------	38	98
Increase research and development on nuclear power sources for NASA and defense space missions and upgrade Energy Research and Development Administration (ERDA) basic research facilities	------	7	37
Natural resources, environment, and energy:			
Increase funding for Corps of Engineers to meet dredging and other maintenance workload	------	84	------
Initiate construction of Harry S. Truman transmission line in Missouri	------	4	4
Increase funding for Tennessee Valley Authority water resources projects	------	9	15
Increase Forest Service land management activities and forest reseach efforts for recreation, wildlife, watershed, and other purposes	------	23	24
Increase funding for coastal zone management program	9	21	36
Increase Bureau of Land Management activities, particularly efforts to aid energy supply development	2	22	21
Increase funding for Indian reservation mineral surveys and other natural resources programs	------	6	8
Fully fund Land and Water Conservation Fund in 1978 and 1979 in order to accelerate recreational land acquisition and facility development	------	60	226
Increase funding for operation and maintenance of National Parks	------	13	28
Increase historic preservation grants and related activities	------	4	9
Increase funding for Fish and Wildlife Service programs	1	15	24
Increase EPA enforcement activities in solid waste, toxic substances, pesticides, and air quality areas	------	16	------
Increase funding for Nuclear Regulatory Commission reactor research and safety programs and regulatory activities	------	35	75
Increase funding for energy conservation programs, including home insulation assistance for low-income families and State conservation grants	40	118	67

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OUTLAY INCREASES DUE TO PROPOSED NEW PROGRAMS AND PROGRAM INCREASES, 1977–79—Continued

[In millions of dollars]

Function and program	Outlay increases		
	1977	1978	1979
ITEMS NOT REQUIRING SUBSTANTIVE LEGISLATION—Con.			
Natural resources, environment, and energy—Continued			
Increase funding for U.S. Geological Survey, principally for a major initiative to reduce earthquake hazards, plus mapping, and energy-related and water data activities	------	36	52
Increase research, development and demonstration on both nuclear and nonnuclear energy technologies, including nuclear nonproliferation initiatives, synthetic fuels commercial demonstration, and supporting research activities	42	262	711
Provide for increased production of enriched uranium for fuel and ERDA program administrative support	------	317	623
Increase funds for National Oceanic and Atmospheric Administration mapping, marine and weather services	*	14	20
Agriculture:			
Initiate a grant program to aid basic research in crop productivity	------	6	10
Redirect animal and plant health programs to emphasize brucellosis and screwworm eradication	1	7	30
Commerce and transportation:			
Increase funds for the urban homesteading demonstration program so that more cities can participate	15	15	15
Expand Census Bureau programs for State and local government financial data and other areas, and National Bureau of Standards research	------	5	5
Increase efforts to promote U.S. productivity growth	------	3	3
Increase the number of mass transit grants pursuant to the Interstate transfer provisions of 1973 highway legislation, and expand formula grant aid	------	200	------
Provide analytical support to enable the automotive fuel economy program to meet statutory deadlines	2	------	------
Increase program levels for selected highway safety programs	------	6	14
Fund Amtrak purchase of the Northeast Corridor from ConRail	47	------	------
Increase funding for Northeast Corridor railway 5-year improvement program	------	100	355
Initiate railroad rehabilitation and improvement program, and administration policy of encouraging rail mergers and consolidations	------	40	25
Increase funding for air traffic control technology development	------	14	------
Increase staff, upgrade equipment of the Federal Aviation Administration (FAA) national air traffic control system, and replace aging FAA aircraft	------	71	72
Fund the airports grant program at full authorized level	------	240	------
Increase funding for advanced aeronautical research and technology to save fuel, increase performance and reduce engine noise	------	2	13
Increase Coast Guard activities to improve navigation, marine safety, and marine environmental protection	------	105	26
Increase funding for Maritime Administration operations and training	------	2	2
Increase Materials Transportation Bureau pipeline safety and hazardous materials program	------	1	*

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OUTLAY INCREASES DUE TO PROPOSED NEW PROGRAMS AND PROGRAM INCREASES, 1977-79—Continued

[In millions of dollars]

Function and program	Outlay increases		
	1977	1978	1979
ITEMS NOT REQUIRING SUBSTANTIVE LEGISLATION—Con.			
Community and regional development:			
Provide interim support for the National Institute of Building Sciences and increase research into housing and urban development programs	------	2	4
Begin redevelopment of Pennsylvania Avenue in the Nation's Capital	22	25	32
Increase community development block grant funding, particularly that going to older cities	------	15	122
Provide additional grants that can be used for urban parks, as part of the proposed Bicentennial Land Heritage Program	12	90	76
Provide additional funding for Regional Action Planning Commissions	------	1	1
Fund the recently enacted coastal energy impact program	51	80	120
Accelerate surveys of flood-prone communities so that more of them can enter the regular Federal flood insurance program	------	11	32
Increase funding for Indian community development activities in response to priorities set by Indian communities	------	5	25
Redirect Appalachian development programs to emphasize highway construction	------	5	15
Education, training, employment, and social services:			
Provide increased funding for Indian reservation education programs in response to priorities set by Indian communities	------	3	15
Provide full funding for the basic educational opportunity grant program in view of increased participation rates	228	346	510
Expand operation of National Institute for the Deaf to full capacity	------	2	2
Add new facilities at Gallaudet College for the Deaf	1	12	12
Improve facilities at Howard University	5	9	9
Increase funding level for vocational and adult education program to provide advance funding and funding for programs now under continuing resolution	------	71	------
Increase Office of Education staff, HEW, to stem fraud and abuse in education programs	4	10	10
Increase National Institute of Education funding for educational research to strengthen priority research and dissemination activities	12	22	36
Increase funding for the National Foundation on the Arts and the Humanities in order to provide greater support for cultural activities	44	87	45
Increase funding for national employment and training programs to aid migrants, seasonal farmworkers and Indians, and increase Employment and Training Administration fundings primarily for technical assistance to CETA sponsors	------	23	23
Increase CETA funding to provide part-time jobs for older workers through States and localities rather than national organizations	------	------	91
Increase funding for Bureau of Labor Statistics price, productivity, and industrial relations programs	------	8	11
Increase other Department of Labor staff for legal work, enforcement of Fair Labor Standards Act, Federal labor-management relations work, and enforcement of the Employee Retirement Security Act	4	12	13

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OUTLAY INCREASES DUE TO PROPOSED NEW PROGRAMS AND PROGRAM INCREASES, 1977–79

[In millions of dollars]

Function and program	Outlay increases		
	1977	1978	1979
ITEMS NOT REQUIRING SUBSTANTIVE LEGISLATION—Con.			
Education, training, employment, and social services—Continued			
Redirect Runaway Youth Act funds to human development grants to State and local governments in order to emphasize programs for the aging and vocational rehabilitation	------	3	3
Increase counseling to homebuyers to help avoid mortgage defaults	------	1	2
Health:			
Increase National Institutes of Health funds for basic biomedical research grants	------	8	30
Strengthen National Health Services Corps and the medical care standards program of the Health Services Administration	------	20	28
Expand the medical device regulatory program of the Food and Drug Administration	------	4	5
Improve and renovate site of Occupational Safety and Health Administration (OSHA) training institute; increase OSHA policy evaluation and research	------	2	2
Income security:			
Strengthen review of eligibility of unemployment claimants; increase fraud control; provide contract auditors; and gather data on wages and unemployment benefits	------	13	13
Increase management efforts to prevent and detect fraud and abuse in HEW programs, to handle increased litigation (primarily in social security), and to fund policy research	2	14	17
Increase the number of new households assisted under the lower income housing assistance program from 235,000 in 1977 to 394,000 in 1978 and 1979	------	66	147
Increase staffing to handle additional workload in HUD, primarily in the area of subsidized housing	------	31	31
Veterans benefits and services:			
Activate VA hospitals, nursing homes and other medical facilities and programs and step up research and training to improve provision of medical services to veterans	------	100	147
Increase grants for construction of State extended-care facilities that are more cost effective in meeting veterans needs	------	3	3
Law enforcement and justice:			
Intensify efforts to curtail illegal traffic in firearms in the United States	------	12	12
Increase Customs Service personnel to handle growing workload and crackdown on narcotics smuggling	------	8	10
Increase funding for civil rights activities to eliminate backlog of discrimination complaints	*	3	3
Construct new Federal prisons and renovate old ones to relieve overcrowding and accommodate growing inmate population	2	10	15
Increase funds for State fair employment practices commissions to help reduce the backlog of equal opportunity complaints	------	4	5

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OUTLAY INCREASES DUE TO PROPOSED NEW PROGRAMS AND PROGRAM INCREASES, 1977–79

[In millions of dollars]

Function and program	Outlay increases		
	1977	1978	1979
ITEMS NOT REQUIRING SUBSTANTIVE LEGISLATION—Con.			
General government:			
Provide additional funding for the Commission on Federal Paperwork to maintain levels of studies and operations	4	1	------
Expand investigations into taxes paid by high-level drug traffickers, improve the match of income information documents with tax returns, and begin development of a redesigned IRS computer system in 1979	14	19	35
Increase level of repairs and alterations, and operations, for Federal buildings	------	11	11
Increase civil service equal employment opportunity activities, personnel support for Rockefeller Panel pay recommendations, and other central personnel support operations	1	3	3
Provide increased resources for Federal Election Commission to deal with workload increases in legal and compliance activities	------	*	1
Increase grant funds and administration of territories and the Trust Territory	15	------	------
Construct a memorial to Franklin Delano Roosevelt	------	------	10
Increase capitalization level of the Federal telecommunications fund to provide adequate working cash and to make funds available for equipment acquisition	13	------	------
Revenue sharing and general purpose fiscal assistance:			
Increase the Federal payment to the District of Columbia and make the Federal Government current in its water and sewer payments	20	51	30
Total, items not requiring substantive legislation	699	5,890	11,777
Total, all increases	1,205	6,965	15,722

*Less than $500,000.

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Five-year projections of major legislative proposals that would create new programs or expand existing activities are shown in summary table 17 in Part 9 of the budget.

Program restraints and terminations.—A responsive government adjusts its activities to changing national needs. Some programs prove to be ineffective, become obsolete or outmoded, achieve their purposes, or decline in relative priority. Further, there is a need for continuing evaluation of the proper Federal role in all program areas.

Unless vigorous and determined efforts are made, programs that should be restructured, reduced, or terminated, continue—and their costs grow. In so doing, they can prevent otherwise efficient governments from operating within the limits of sound fiscal policy.

The 1978 budget incorporates the results of an intensive effort to identify programs that should be reduced, terminated, or reformed.

There is no responsible alternative to reductions and terminations. Spending for many major programs has long been increasing at an unsustainable rate—much faster than the gross national product. At the same time, periodic income tax reductions are necessary to prevent taxes from continually rising as a percentage of total personal income. Otherwise, such tax increases tend to occur—without any explicit changes in tax laws—because wage and salary increases that simply adjust for inflation push people into higher and higher tax brackets (even though their real income remains the same). The tax reductions contemplated in this budget will give relief from this problem and leave more of the decisionmaking on how income is to be spent to those who earn it rather than to the Government. Such reductions, plus the proposed tax reductions for business, will also foster the private sector investment essential to vigorous, sustainable economic growth, more and better jobs, and higher real incomes. Restraint on outlay growth must begin now if taxes and spending are to be brought into alinement as the economy continues to recover. Moreover, pruning back and eliminating lower priority programs will free resources for better, more urgent, programs.

The program reductions and termination proposed, together with the estimated outlay savings for each fiscal year, relative to a "current services" base, are shown in the following listing.

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OUTLAY REDUCTIONS FROM PROGRAM RESTRAINTS AND TERMINATIONS, 1977–79

[In millions of dollars]

Function and program	Outlays reductions		
	1977	1978	1979
PROPOSED ACTIONS REQUIRING SUBSTANTIVE LEGISLATION			
National Defense:			
Terminate dual compensation of Federal employees on active military duty status and revise Cadet, Midshipman, and ROTC pay	------	−34	−37
Reform pay system for blue-collar civilian workers	------	−160	−397
Dispose of excess stockpile materials	------	−229	−268
Natural resources, environment, and energy:			
Abolish the Water Resources Council and the grants to States program, transfer the river basin commissions and regional planning functions to the Departm ent of the Interior, and carry out certain other functions through Cabinet-level and ad hoc technical interagency committees	------	−4	−6
Reform the agricultural conservation program to emphasize long-term conservation practices and limit assistance to financially needy farmers	------	22	−50
Agriculture:			
Eliminate agriculture disaster payments in favor of expanded crop insurance, and reduce peanut acreage allotment to bring production into balance with demand at the minimum support price	------	------	−644
Commerce and transportation:			
Conduct the Census Bureau survey of voting and registration every 4 years rather than every 2 years	------	−3	−3
Limit use of mass transit grants for operating subsidies in order to concentrate resources on capital investment	------	−100	50
Eliminate second career training for air traffic controllers eligible for immediate retirement	------	−3	−5
Education, training, employment, and social services:			
Limit child care and supportive services under the Work Incentive (WIN) program to 30 days after placement in a job	------	−21	−21
Health:			
Limit annual rise in medicare hospital reimbursements per day to 7% in 1978 and 1979, and place depreciation payments to hospitals in escrow pending State approval of capital expenditures, effective April 1, 1977 and charge beneficiaries 10% coinsurance for hospital costs, effective June 1, 1978	−145	−1,965	−5,305
Freeze prevailing physician charges under medicare at 1977 level and limit increases in reasonable charges below that level to 7% annually in 1978 and 1979, effective July 1, 1977; and charge beneficiaries 10% coinsurance for covered services of hospital-based physicians and raise supplementary medical insurance deductible amount to $80 in 1978, effective January 1, 1978	−73	−413	−817
Consolidate 20 health programs, including medicaid, into a single health care block grant to States	------	−115	−881

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OUTLAY REDUCTIONS FROM PROGRAM RESTRAINTS AND TERMINATIONS, 1977–79—Continued

[In millions of dollars]

Function and program	Outlay reductions		
	1977	1978	1979
PROPOSED ACTIONS REQUIRING SUBSTANTIVE LEGISLATION—Continued			
Income security:			
Eliminate certain retroactive social security payments, change the retirement test to an annual basis, and phase out student benefits	−43	−998	−1,699
Change the AFDC public assistance program to rationalize the work-related expense disregard and reduce the Federal matching rate for administrative costs of the State and local child support enforcement program	------	−63	−93
Replace 15 present complex and overlapping child nutrition programs with a single block grant to States	------	−1,182	−1,401
Simplify and improve food stamp program administration and change eligibility standards to assure that benefits go only to those in need	−862	−882	−909
Eliminate payments where credit exceeds personal income tax liability in 1978	------	−835	−815
Veterans benefits and services:			
Eliminate duplicate burial benefits for veterans	------	−80	−82
Limit GI bill eligibility to 8 years; end coverage of flight training and correspondence courses; and end separate education loan programs	------	−484	−532
Require private health insurance reimbursement for VA hospital treatment of non-service-connected disabilities and limit travel reimbursement for such patients	−19	−158	−231
Terminate housing entitlement for new entrants into the armed services to reflect the voluntary nature of the services and their competitive pay scales	------	------	−2
General government:			
Sell rare silver dollars	−26	------	------
Total, proposed actions requiring substantive legislation	−1,168	−7,707	−14,148
ITEMS NOT REQUIRING SUBSTANTIVE LEGISLATION			
National defense:			
Rescind long-lead funding for shipbuilding of cruiser and attack carrier	−51	------	------
Impose a partial moratorium on new defense construction pending a study to modernize domestic installations	------	−50	------
Reduce percentage of officers, permanent change of station costs, and other military personnel costs	------	−99	−226
Begin reform of military housing allowances to achieve greater equity	------	−73	−143
Change military assistance program	15	−5	−28
Place greater reliance on loan guarantees for foreign military credit sales	−15	−18	−50

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OUTLAY REDUCTIONS FROM PROGRAM RESTRAINTS AND TERMINATIONS, 1977-79—Continued

[In millions of dollars]

Function and program	Outlay reductions		
	1977	1978	1979
ITEMS NOT REQUIRING SUBSTANTIVE LEGISLATION—Con.			
International affairs:			
Decrease security supporting assistance, especially to Middle East countries (partly offset by increase for southern Africa)	18	−155	−184
Decrease aid to American schools and hospitals abroad	------	−5	−9
Decrease U.S. contribution for U.N. peacekeeping activities in the Middle East	−20	−13	−11
Decrease number of Peace Corps volunteers as requests from aided countries decline	------	−16	−19
General science, space, and technology:			
Reduce NASA supporting research and development activities and construction	------	−49	−5
Natural resources, environment, and energy:			
Rescind authority for Corps of Engineers construction of hopper dredges in favor of construction by industry	−3	−24	------
Undertake no new projects in order to focus Soil Conservation Service water resources efforts on backlog of existing projects	------	−23	−6
Suspend funding for the Tennessee Valley Authority's program to demonstrate reclamation of "orphan" strip mine sites pending development of a data base sufficient to allow a full assessment of the effectiveness of the demonstration	------	−6	−
Reduce funding of Youth Conservation Corps program, which cannot be targeted to the most needy high-unemployment, low-income groups	------	−12	−1
Reduce funding for grant portion of cooperative forest fire control program, which has met its objective of encouraging States to develop forest fire control organizations	------	−6	−
Reduce funding for Forest Service construction of roads and trails to level consistent with planned timber sales	------	−21	−1
Substitute reformed agricultural conservation program for Great Plains conservation program	------	−6	−
Eliminate the ineffective forestry incentives program	------	−2	−1
Eliminate the water bank program, because objective can better be met through direct Federal acquisition of water fowl refuges	------	−1	−
Shift EPA research efforts to increase emphasis on water supply and solid waste	------	−26	------
Phase out petroleum product controls and allow State energy conservation grant program to expire in 1979	------	−1	−1
Defer Energy Research and Development Administration funds for 1977, including subsidies for assistance to communities and lower priority fusion research activities	−18	−5	−
Reduce funding for National Oceanic and Atmospheric Administration programs by terminating an unnecessary satellite launch and discontinuing low priority marine and weather research activities, deferring new ship construction, and beginning phaseout in 1979 of grants to States for administration of Coastal zone management programs	−4	−15	−1

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OUTLAY REDUCTIONS FROM PROGRAM RESTRAINTS AND TERMINATIONS, 1977–79—Continued

[In millions of dollars]

Function and program	Outlay reductions		
	1977	1978	1979
ITEMS NOT REQUIRING SUBSTANTIVE LEGISLATION—Con.			
Agriculture:			
Reduce amount available for short-term export credit, in line with experience of recent years	.....	−250	−250
Commerce and transportation:			
Terminate the mutual- and self-help housing grants program and the rural housing for domestic farm labor grants, which are less cost-effective than other existing Federal aid programs that they duplicate	.....	−2	−10
Constrain Small Business Administration loan programs in view of expected economic recovery and recent expansion of the private credit market	−42	−65	−75
Reduce personnel in the ICC motor carrier entry program through management improvements	.....	.....	−2
Reduce selected NASA aeronautical research and technology programs	.....	−6	−26
Reduce outlays under Federal Housing Administration mortgage insurance programs by revising premiums, preventing claims through the use of Section 8 subsidies, and other reforms	.....	−91	−254
Reduce low-priority National Bureau of Standards research programs	.....	−3	−3
Eliminate the Office of Business Research and Analysis, and reduce funding for other programs of the Domestic and International Business Administration	.....	−7	−7
Reduce highway programs where statutory requirements have not been met, where programs are excessively narrow, or where alternative Federal funding is already available	.....	−26	−78
Set highway trust fund grants for Federal-aid highways at $6.5 billion, $458 million above the 1976–77 average, but a reduction from the exceptionally high 1977 level	.....	−192	−742
Constrain Amtrak's planned capital program and route expansion	.....	−17	−6
Reduce subsidy for local service air carriers due to economic upturn and the Civil Aeronautics Board's new class rate system of subsidy estimation	.....	−7	.....
Reduce obligations for low-priority discretionary grants program funded by the airports and airways trust fund	.....	.....	−33
Reduce low-priority air traffic control facilities and equipment procurement activities	.....	−12	.....
Constrain funding of the maritime ship construction and operating subsidy programs pending completion of an analysis of the basis of Federal support to the maritime industry	.....	−3	−184

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OUTLAY REDUCTIONS FROM PROGRAM RESTRAINTS AND TERMINATIONS, 1977–79—Continued

[In millions of dollars]

Function and program	Outlay reductions		
	1977	1978	1979
ITEMS NOT REQUIRING SUBSTANTIVE LEGISLATION—Con.			
Community and regional development:			
Reduce funding for Community Services Administration categorical programs that duplicate other Federal programs for energy conservation, services for the elderly, and nutrition assistance	------	−80	−114
Reduce funding for Economic Development Administration public works, because of the availability of $2 billion under the Local Public Works program, and reduce other low-priority EDA activities	------	−23	−82
Eliminate Regional Action Planning Commissions supplemental grants	------	−2	−8
Reduce Appalachian area development programs to permit increased highway program	------	−5	−15
Allow authority for the rehabilitation loan program to expire in favor of community development block grants	------	−86	−91
Reduce categorical support for comprehensive planning and management activities which can be supported under the community development block grant program	------	−8	−34
Reduce rural water and waste disposal grants in view of availability of similar HUD and EPA grant programs	------	−15	−68
Terminate rural community fire protection grants because other Federal assistance is available for this purpose	------	−3	−4
Terminate rural development grants because other Federal assistance is available for this purpose	------	−1	−4
Phase out Federal support for Volunteers in Service to America (VISTA) and University Year for ACTION programs because there is sufficient experience to enable communities to decide whether to support volunteers locally	------	−17	−26
Education, training, employment, and social services:			
Terminate or reduce higher education student and institutional assistance programs in order to concentrate resources on direct student assistance	−22	−595	−1,007
Restrain funding levels for various elementary and secondary education programs to contain these activities at the developmental demonstration level	------	−12	−172
Terminate the college undergraduate instructional equipment and library demonstration and training programs because these programs provide for institutional aid rather than supporting a policy of direct student support	------	−11	−19
Constrain funding for metric education, and packaging and field testing of education programs to demonstration levels	------	−1	−2
Limit school assistance in federally affected areas to students whose parents both live and work on Federal property	------	−317	−447
Reduce discretionary employment and training assistance funds which are in excess of need and original statutory intent	------	−125	−125

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OUTLAY REDUCTIONS FROM PROGRAM RESTRAINTS AND TERMINATIONS, 1977–79—Continued

[In millions of dollars]

Function and program	Outlay reductions		
	1977	1978	1979
ITEMS NOT REQUIRING SUBSTANTIVE LEGISLATION—Con.			
Education, training, employment, and social services—Continued			
Reduce preliminary estimates for summer youth program level in line with expected improvements in the economy	------	−70	−145
Eliminate categorical funding through national organizations of older worker employment and training program	------	------	−91
Phase out the temporary employment assistance program in 1978 as unemployment declines	------	−1,100	−2,100
Limit social services funds for State and local training projects and do not extend special day care add-on of $200 million	------	−223	−233
Rely on more cost-effective programs to assist needy students, and terminate the college housing program	------	−77	−79
Health:			
Reduce health resources programs for special medical facilities construction, nursing, and student loan assistance and concentrate funds on health statistics and certain health professions education programs	117	−154	−246
Reduce research and phase out training activities of the Alcohol, Drug Abuse, and Mental Health Administration because similar behavioral research is being carried on by other Federal agencies, and training support subsidized by ADAMHA grants is available through needs-tested programs	------	−4	−5
Phase out grant assistance for health maintenance organizations after a 5-year demonstration of the concept and eliminate the separate Division of Federal Employee Health	------	−1	−23
Limit Indian health facilities construction to projects now underway	------	−7	−14
Reduce funding for Center for Disease Control occupational health training grants and health education activities	------	−2	−7
Income security:			
Tighten management of supplementary security income program to minimize erroneous benefit payments	------	−50	−50
Reduce public assistance overpayments by disallowing Federal financial participation in incorrect payments	------	−83	−108
Phase out special Cuban refugee assistance program in favor of regular public assistance programs	5	4	−12
Terminate Farmers Home Administration program for very low income housing repair grants, since other Federal assistance is available for this purpose	------	−5	−5
Reduce administrative costs for unemployment insurance through automation and improved management in high-cost States	------	−20	−20
Encourage public housing authorities to adopt rent scales comparable to those established by law for other subsidized rental housing tenants	------	−58	−135
Seek no additional authority to continue the public housing program, and keep modernization authority at an annual average of $420 million during the 1977–79 period	------	−3	−33

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OUTLAY REDUCTIONS FROM PROGRAM RESTRAINTS AND TERMINATIONS, 1977–79—Continued

[In millions of dollars]

Function and program	Outlay reductions		
	1977	1978	1979
ITEMS NOT REQUIRING SUBSTANTIVE LEGISLATION—Con.			
Veterans benefits and services:			
Reduce overpayments under the GI bill by reinstituting attendance certification	------	−149	−54
Law enforcement and justice:			
Reduce funds for Legal Services Corporation because it has not assessed either alternative funding sources or the proper service level of legal assistance to the poor	------	−35	−35
Reduce criminal justice assistance in the areas of juvenile delinquency, law enforcement education, and adjust 1977 outlays for the impact of the public safety officers benefits program	------	−7	−28
Reduce FBI's domestic intelligence program pursuant to new Department of Justice guidelines, and automate fingerprint processing	−16	−13	−13
General government:			
Terminate intergovernmental personnel assistance grant program because State and local governments have demonstrated a willingness to undertake personnel management projects	------	−9	−15
Reduce funds for administration of territories and the Trust Territory	−3	−18	−20
Change procedures for collecting taxes owed to the Federal Government	------	−3	−3
Total, items not requiring substantive legislation	−39	−4,700	−8,263
Total, all reductions	−1,207	−12,407	−22,411

INTEGRATION OF BUDGET AND MANAGEMENT REVIEWS

Building on the President's previous management initiatives, the Office of Management and Budget has issued instructions to all executive branch agencies (Circular A–113) that require annual preparation and submission of management plans. This requirement accommodates integration of Presidential reviews of the budget and of agency management plans.

Such management plans must include, among other things, plans for evaluation of agency programs in a systematic way. The improved and more frequent evaluations that are expected from this initiative can provide the basis in future years for greatly improved decisionmaking as to the merits of particular programs, the need for programmatic change, and the most efficient allocation of limited budgetary resources.

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FISCAL ACTIVITIES OUTSIDE THE FEDERAL BUDGET

The budget does not include a number of fiscal activities of the Federal Government that result in spending similar to budget outlays. One major exclusion—the outlays of off-budget Federal entities [1]—has been discussed briefly in an earlier section of this Part 2. These outlays should be included in the budget totals according to the unified budget concept. The Administration is proposing legislation that would accomplish this for the 1979 and subsequent budgets.

The table on the next page compares the excluded outlays of the off-budget Federal entities with the unified budget outlays.[2] The outlays of the off-budget entities (excluding the Export-Import Bank and Exchange Stabilization fund) began at a negligible amount in 1973 but have grown rapidly since then, as the Federal Financing Bank and other off-budget entities have been created. The outlays of the off-budget Federal entities equaled 2.0% of budget outlays in 1976 and are estimated to equal 2.6% in 1977, 2.1% in 1978, and 2.3% in 1979.

The off-budget Federal entities are discussed in some detail below.[3] This is followed by a discussion of the Government-sponsored enterprises, which are outside the scope of the budget because of their private ownership.[4] Guaranteed loans and tax expenditures, which also have significant effects on the economy, are discussed subsequently. The regulation of economic activity may have similar effects by requiring the private sector to make expenditures for specified purposes, such as safety and pollution control. Because its effects cannot be quantified satisfactorily, such regulatory activity is not discussed in this section. The economics of regulation is discussed in chapter 4 of the *Economic Report of the President* for 1977.

The off-budget Federal entities and the privately owned, Government-sponsored enterprises primarily carry out loan programs. Guaranteed loans are likewise a part of federally assisted lending. The table on page 27 summarizes Federal credit actitivies by showing the outstanding amounts of Federal and federally assisted loans: direct loans by Federal agencies included in the budget, direct loans by off-budget Federal entities, guaranteed loans, and loans by Government-sponsored enterprises. The total amount of these loans is large, and the direct loans by agencies within the budget make up only a small proportion of the total.

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[1] Financial statements for these entities are contained in the Appendix. Budget of the United States Government, Fiscal Year 1978. See Part IV. "Detailed Estimates of Off-Budget Federal Entities."

[2] The historical data for unified budget outlays include off-budget Federal entities for any period when they were in the budget, include the Export-Import Bank for all years, and include Government-sponsored enterprises for periods when they had any Government ownership.

[3] The Board of Governors of the Federal Reserve System (but not the Federal Reserve banks, which are privately owned) is a Federal organization. It is excluded from the budget and this discussion.

[4] For financial statements, see the Appendix, Part VI, "Government-Sponsored Enterprises."

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This table also shows the outstanding debt of the Federal Government. The debt held by the public excludes that part of the gross Federal debt held within the Government itself by trust funds and other Government accounts. The $135.5 billion increase in debt held by the public from the end of 1976 to the end of 1978 is primarily due to the large deficits in the budget, but the outlays of the off-budget

COMPARISON OF OUTLAYS FOR THE UNIFIED BUDGET, OFF-BUDGET FEDERAL ENTITIES, AND GOVERNMENT-SPONSORED ENTERPRISES

[In billions of dollars]

Year	Outlays			
	Federal Government [1] [2]			Government-sponsored enterprises [3]
	Unified budget	Off-budget Federal entities	Total	
1954	70.9	----	70.9	−0.3
1955	68.5	----	68.5	.2
1956	70.5	----	70.5	.4
1957	76.7	----	76.7	.1
1958	82.6	----	82.6	−.5
1959	92.1	----	92.1	1.1
1960	92.2	----	92.2	.4
1961	97.8	----	97.8	−.3
1962	106.8	----	106.8	1.1
1963	111.3	----	111.3	.5
1964	118.6	----	118.6	1.8
1965	118.4	----	118.4	1.2
1966	134.7	----	134.7	1.9
1967	158.3	----	158.3	−2.9
1968	178.8	----	178.8	1.7
1969	184.5	----	184.5	4.3
1970	196.6	----	196.6	9.6
1971	211.4	----	211.4	*
1972	232.0	----	232.0	4.4
1973	247.1	0.1	247.1	11.4
1974	269.6	1.4	271.1	14.5
1975	326.1	8.0	334.1	7.0
1976	366.5	7.2	373.7	4.6
TQ	94.7	1.8	96.5	2.3
1977 estimate	411.2	10.8	422.0	11.0
1978 estimate	440.0	9.2	449.1	13.2
1979 estimate	466.0	10.9	476.9	[4]

*Less than $50 million

[1] The 1972–76 and TQ data have been revised to include the Export-Import Bank in the unified budget instead of with the off-budget Federal entitites.

[2] Exchange Stabilization fund is excluded until 1976.

[3] To prevent double counting, outlays of Government-sponsored enterprises exclude loans to other Government-sponsored enterprises and loans to or from Federal agencies and off-budget Federal entities.

[4] Not available.

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DEBT AND LOANS

[In billions of dollars]

	1976 actual	TQ actual	1977 estimate	1978 estimate
Outstanding debt, end of fiscal period:				
Gross Federal debt	631.9	646.4	716.7	785.0
Debt held by the public	480.3	498.3	560.3	615.8
Outstanding Federal and federally assisted loans, end of fiscal period: [1]				
Direct loans—on budget	64.2	65.3	67.3	70.1
Direct loans—off-budget	21.6	24.3	34.3	41.5
Guaranteed and insured loans [2]	169.8	169.8	181.0	202.3
Government-sponsored enterprise loans [2]	84.9	87.8	100.1	113.5

[1] See table E–11 in Special Analysis E, "Federal Credit Programs," published in a separate volume.
[2] Excludes loans held by Government accounts and Government-sponsored enterprises.

Federal entities contribute significantly. Federal debt and its relationship to the Government deficit are discussed more extensively in Part 6 of this volume.

Outlays of off-budget Federal entities.—Off-budget Federal entities are federally owned and controlled, but their transactions have been excluded from the budget totals under provisions of law. Therefore, their fiscal activities are not reflected in either budget outlays or the budget surplus or deficit, appropriation requests for their activities are not included in the totals of budget authority, and their outlays are not subject to the ceilings set by the congressional budget resolutions. As shown in the table on page 206, the outlays of the off-budget Federal entities are added to the unified budget deficit to comprise the total Government deficit that has to be financed by borrowing from the public or by other means. When off-budget outlays are financed by Treasury borrowing, the additional debt is subject to the statutory debt limit; when financed by the entities' own borrowing, it is not. The additional debt is part of the gross Federal debt whether it is issued by the Treasury or by the off-budget Federal entities.

The first Federal entity excluded from the unified budget was the Export-Import Bank (excluded by statute as of August 17, 1971). This removal was the first departure from the concept of the unified budget, which had been adopted beginning with the 1969 budget and which combined the administrative budget with the substantial trust fund activity of the Federal Government. Since 1972 further departures from a unified budget have occurred. The Postal Service fund, the Rural Telephone Bank, the lending activities that became the Rural electrification and telephone revolving fund, and the Housing for the elderly or handicapped fund were removed from

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the budget. The Environmental financing authority fund,[5] the Federal Financing Bank, the United States Railway Association, and the Pension Benefit Guaranty Corporation were established off-budget. Under proposed legislation the Energy Independence Authority would be established off-budget, but if the existing off-budget entities are included in the budget the Energy Independence Authority should be included also. The Exchange Stabilization fund has always been excluded from the unified budget and until this year was classified instead as a deposit fund.[6]

The budget totals do, however, include the subsidies paid to the Postal Service fund. They also include the administrative expenses of the Rural Electrification Administration lending programs and the United States Railway Association, and they record the estimated net gains or losses of the proposed Energy Independence Authority.

The range of activities carried out by off-budget Federal entities was reduced during the past year. The Export-Import Bank was returned to the budget by statute on October 1, 1976, the beginning of fiscal year 1977. The budget outlays and deficits for previous years have been revised to include the Export-Import Bank. These revisions are reflected in the tables published in this budget. Furthermore, the budget treatment of the United States Railway Association was changed. Recently enacted legislation requires that the purchase of ConRail securities, which will comprise almost all of the Association's activity after 1977, be included in the budget from the start of this assistance program in 1976.

While the budget authority and outlays of off-budget Federal entities are excluded from the budget totals, some of their activities are subject to normal Presidential and congressional review. For example, limits on the amount of new lending by the Rural electrification and telephone revolving fund are set annually by law, and the outstanding debt and annual borrowing of the Postal Service are limited by statute.

There is little or no justification for having Federal entities outside the budget. The President's Commission on Budget Concepts, whose report led to the establishment of the unified budget, recommended that "the budget should include all programs of the Federal Government and its agencies" and that "the budget should, as a general rule, be comprehensive of the full range of Federal activities".[7] Comprehensive coverage is necessary to inform the public fully what the Government is spending. It contributes to the rational establishment of priorities for allocating economic resources among alternative gov-

[5] The Environmental Financing Authority expired on June 30, 1975, without having conducted any operations.

[6] The Exchange stabilization fund conducts a cycle of operations similar to Federal intragovernmental revolving funds. Consequently, its classification as a deposit fund was contrary to the normal definition of a deposit fund: an account that records amounts held by the Government as an agent for others or amounts held in suspense temporarily before being refunded or paid into some other fund.

[7] *Report of the President's Commission on Budget Concepts* (Washington: U.S. Government Printing Office, 1967), pp. 7 and 25.

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ernmental programs, because it subjects each program to the discipline of a budget process in which the benefits from additional (or lesser) spending on one program are compared with the benefits of additional (or lesser) spending on all the others. Likewise, comprehensive coverage contributes to establishing priorities in the distribution of total available resources between public and private activities, and it assists in understanding the Government's impact on the economy. For these reasons the Administration is proposing that legislation be enacted to include all of the off-budget Federal entities within the budget. The historical data for budget outlays and the budget deficits would be revised to include the transactions of these entities in order to make the figures for different years comparable and to inform the public about the size of total outlays.

Congress has also expressed concern about the off-budget outlays. The Congressional Budget Act of 1974 calls for the Committees on the Budget of the House of Representatives and the Senate to study on a continuing basis those provisions of law that exclude any outlays of Federal entities from the budget and to report to their respective Houses their recommendations for terminating or modifying such provisions. In September 1976 the House Budget Committee adopted a report recommending that the budget include the administrative expenses of the Exchange stabilization fund and the outlays of all other off-budget Federal entities except the Federal Financing Bank. The Committee deferred judgment about the Federal Financing Bank until after the completion of certain special studies that it had commissioned.[8]

Except for the Postal Service, the Pension Benefit Guaranty Corporation, and the Exchange stabilization fund, the excluded outlays of the off-budget Federal entities are incurred for carrying out loan programs. These programs are similar to the direct loan programs in the unified budget. The outlays of the off-budget loan programs are roughly equal to the difference between new loans disbursed and repayments of principal. For example, during 1978 new loans disbursed by the excluded programs are estimated to be $10.3 billion and repayments $2.6 billion, for an increase in loans outstanding of $7.7 billion. This is about the same as the estimated outlays of the programs, which are $7.4 billion. The difference is due to such factors as administrative expenses and interest paid and received.

Like direct loans in the budget, the loans of the excluded programs are designed to allocate economic resources toward particular uses. The off-budget Federal entities support a variety of program functions both through their direct operations and, in the case of the Federal Financing Bank, through the purchase of debt securities issued by

[8] House of Representatives, Committee on the Budget, *Off-Budget Activities of the Federal Government.* Report No. 94–1740 (1976).

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several agencies and the purchase of obligations guaranteed under a number of Government programs. The size of these activities is generally indicated by the outlays of each off-budget entity in the following table. Part 5 of the budget, "The Federal Program by Function," shows the outlays of the off-budget Federal entities by function and discusses some of their more significant activities.

As the table shows, the Federal Financing Bank (FFB) accounts for a large share of off-budget outlays, about three-fifths of the total in 1978 and 1979 and still higher proportions in some earlier years. The outlays of the FFB reflect only its purchase of Government-guaranteed obligations, not its purchases of Federal agency debt. This prevents counting the same amount twice, both in the FFB's own outlays and in the outlays of the agency that borrowed from the FFB and spent the proceeds.

The FBB's share of off-budget outlays is less in 1978–79 than in the preceding years. Partly this is due to an absolute decrease in its own lending from the 1977 level, which is caused by purchasing smaller amounts of certificates of beneficial ownership from the Farmers Home Administration and smaller amounts of New York City seasonal financing loans from the Treasury Department; partly this is due to the expanded lending by the Housing for the elderly or handicapped fund, the proposed establishment of the Energy Independence Authority, and the rising deficit of the Postal Service fund. The outlays of the Rural electrification and telephone revolving fund are zero in 1978 and 1979, despite large continued net lending, because of its plans to sell certificates of beneficial ownership to the FFB. According to law, these sales are treated as the sale of assets and therefore are an offset to the fund's outlays. The FFB's purchase of these certificates is counted in the FFB outlays.

OUTLAYS OF OFF-BUDGET FEDERAL ENTITIES

[In billions of dollars]

Off-budget Federal entity	1976 actual	TQ actual	1977 estimate	1978 estimate	1979 estimate
Federal Financing Bank	5.9	2.6	8.7	5.9	6.2
Rural electrification and telephone revolving fund	.2	−.1	.5	-------	-------
Rural Telephone Bank	.1	*	.1	.1	.1
Housing for the elderly or handicapped fund	−*	−*	.3	.7	.8
Pension Benefit Guaranty Corporation	−*	−*	−*	−*	−*
Exchange stabilization fund	−.1	−*	−.1	−.1	−.1
Postal Service fund	1.1	−.7	1.0	1.8	2.5
U.S. Railway Association	.1	*	.3	-------	−.1
Energy Independence Authority	-------	-------	-------	.6	1.4
Total	**7.2**	**1.8**	**10.8**	**9.2**	**10.9**

*Less than $50 million.

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Outlays of Government-sponsored enterprises.—Several Government-sponsored enterprises have been established and chartered by the Federal Government to perform specialized credit functions. The earlier enterprises were all created with partial or full Government ownership and direct Government control, but, in time, they were converted to private ownership and some new enterprises were created as privately owned institutions. The rule governing the budget treatment of these enterprises was established in 1967 in accordance with a recommendation by the President's Commission on Budget Concepts. The Commission recommended that the budget exclude those Government-sponsored enterprises that are entirely privately owned. Since the enterprises carry out federally designed programs and receive benefits from their close association with the Government, the Commission recommended that financial statements of their operations be included in the budget documents.

The Federal land banks and Federal home loan banks had both become entirely privately owned a number of years before the unified budget was adopted and therefore have always been excluded. The Federal National Mortgage Association, the Banks for cooperatives, and the Federal intermediate credit banks became wholly privately owned by repaying their Federal equity capital during 1969 and were accordingly removed from the budget. The Federal Home Loan Mortgage Corporation and the Student Loan Marketing Association were subsequently established with full private ownership.

These Government-sponsored enterprises were all created to carry out loan programs, either lending their funds directly for specifically authorized purposes or buying loans originated by the private group that they were established to assist. Their loans primarily support housing but also support agriculture and higher education. As shown in the table on page 26, the outlays of the privately owned Government-sponsored enterprises have grown considerably—from relatively small amounts in the early 1960's to an average of $8.4 billion (equal to 2.9% of budget outlays) during 1972–76, when more Government-sponsored enterprises had been established outside the budget. In 1978 these enterprises are expected to spend $13.2 billion, equal to 3.0% of budget outlays in that year.

Guaranteed loans.—Federal and federally assisted credit has a significant influence on resource allocation. Direct loans by budget agencies are part of total budget outlays. Direct loans by off-budget Federal entities and Government-sponsored enterprises, as discussed above, are not included in the budget totals. Government-guaranteed loans—that is, loans for which the Government guarantees the payment of the principal or interest in whole or in part—are also not included in budget outlays. Guaranteed loans constitute contingent liabilities, which do not result in outlays except in the event of default.

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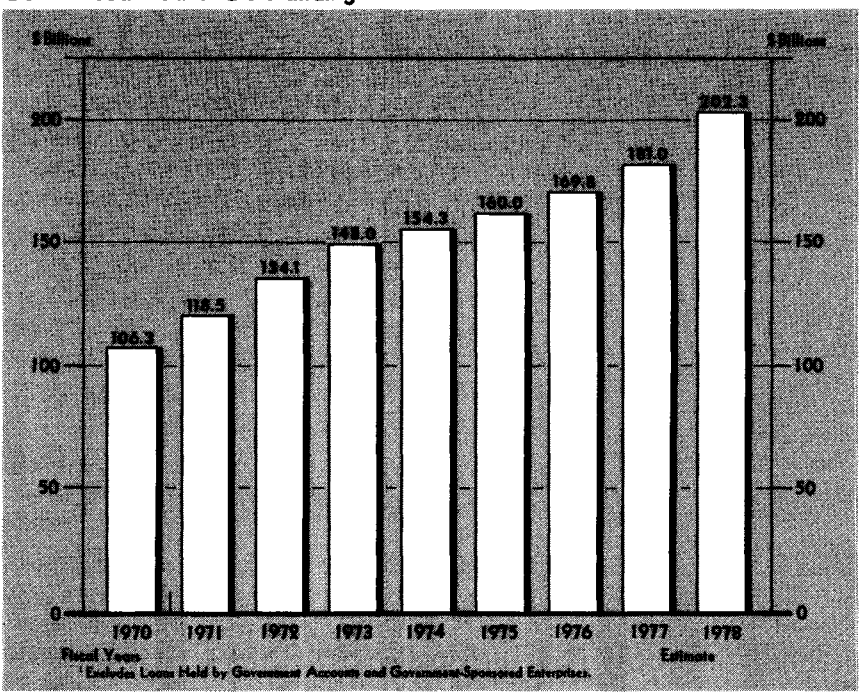
Guaranteed Loans Outstanding[1]



Guaranteed (or insured) loans have diverse characteristics. The loan may be made to individuals, businesses, State and local governments, or foreign governments. The guaranteed obligation may be a loan made by a bank or other institutional lender, it may be a security sold in the capital market, or it may be a security sold to the Federal Financing Bank. The guarantee may be full or partial, and in some programs it may be supplemented by other explicit subsidies or other forms of assistance. Guaranteed loans include most loan assets sold by Federal agencies. Loan asset sales occur when an agency makes a direct loan and then sells it off. A guarantee is usually attached. In some cases the agency sells the direct loans themselves, and in other cases the agency sells securities (sometimes called certificates of beneficial ownership) that are backed by loans that the agency continues to hold and service. Loan asset sales are offsets to the outlays of the agency that sells them, so they reduce the amount by which the direct loans of Federal agencies add to budget outlays.

Loan guarantees are designed to allocate economic resources toward particular uses by providing credit at more favorable terms than would otherwise be available in the private market. The major use of guaranteed loans is to support housing, but in recent years guarantees have

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increasingly been used for other purposes. The effect of guaranteed loans on the economy is difficult to assess. Some portion of the private loans that are guaranteed would have been made without the guarantees, and those private loans that would not otherwise have been made tend to divert credit away from other economic activities.

The following table shows the outstanding amount of guaranteed loans held by the public at the end of the years 1976–78, the net loans guaranteed during each year (that is, the change in outstanding loans), and the gross amount of new loans guaranteed. The figures include the full amount of all loans guaranteed in whole or in part, in billions of dollars:

	1976 actual	*TQ actual*	*1977 estimate*	*1978 estimate*
Outstanding guaranteed loans	169.8	169.8	181.0	202.3
Net loans guaranteed	10.3	−.1	11.3	21.2
Gross loans guaranteed	28.5	8.4	39.3	53.9

This table suggests the importance of guaranteed loans. The outstanding amount held by the public is large and growing each year. Gross loans, which measure the total new activity that occurs each year, are very much larger than the change in outstanding loans. The difference is almost entirely due to the repayment of old loans. In addition to the $42.8 billion increase during 1976–78 in guaranteed loans held by the general public, the total held by the Federal Financing Bank and Federal agencies is estimated to increase by $21.8 billion; and the total held by Government-sponsored enterprises is estimated to increase by $3.1 billion. These amounts are reflected in the outlays of the Federal Financing Bank, Federal agencies, and Government-sponsored enterprises that buy the loans. When the Federal Financing Bank buys newly issued guaranteed loans (except loan asset sales), the guaranteed loans are in effect converted into direct Federal loans outside the budget.

Since guaranteed loans are outside the budget, they are not subject to the same kind of review and control as budget outlays. Partly as a result, the current control over guaranteed loans is not stringent. The authorizing statutes for half or more of the guarantee programs impose a ceiling on the amount of guaranteed loans outstanding, but the limits imposed at one time are usually designed to meet several years of requirements at once. Plans for guarantees are generally reviewed annually in the course of reviewing the budget and personnel requests of the administering agencies, but annual limits usually are not set. Except when explicit subsidies or capital for reserve funds must be appropriated, limits on guarantees are not imposed, directly or indirectly, by the Appropriations Committees in the Congress. Similarly, the Senate and House Budget Committees do not scrutinize the total amount of guaranteed loans, as they do the total amount of

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budget outlays, and the congressional budget resolutions do not include a target or ceiling for guaranteed loans.

The issue of control over guaranteed lending is being studied seriously by both the Congress and the executive branch and is proving difficult to resolve. Nonetheless, the large size and continuing growth in outstanding guaranteed loans make it imperative that the Congress and the Executive reach early agreement on an effective control mechanism. In order for the Congress and the President to influence efficiently the allocation of economic resources and the behavior of financial markets and the economy as a whole, control over guaranteed loans is as justifiable in concept as control over outlays.

The major loan guarantee programs are discussed by function in Part 5 of the Budget. Guaranteed loans are analyzed further together with other types of credit assistance in Special Analysis E, "Federal Credit Programs." [9]

Taxation and tax expenditures.—Taxation affects the economy not only by providing the Government with receipts but also by changing the allocation of resources among private uses and the distribution of income and wealth among individuals. The economy is significantly affected by the structural characteristics of each of the different taxes that are levied, such as the rate schedules, exemptions, deductions, and exclusions of the individual income tax; and it is also significantly affected by the relative size of the different taxes. These effects are not measured in budget receipts or outlays

Some aspects of taxation, called "tax expenditures," receive special attention in the budget. Tax expenditures are defined as revenue losses under the individual and corporation income taxes that are attributable to a special exclusion, exemption, or deduction from gross income or to a special credit, preferential tax rate, or deferral of tax liability.

Tax expenditures are one means by which the Federal Government carries out its policies and in most cases can be viewed as alternatives to outlays, guaranteed loans, regulations, or other provisions of the tax law. The objectives of tax expenditures are varied. Nearly all are intended either to encourage particular economic activities or to reduce the tax liabilities for taxpayers in special circumstances. Among the economic activities encouraged are investment, homeownership, State and local government spending, and support of charities; among the persons with reduced tax liabilities are the aged, the unemployed, and those with high medical expenses.

Tax expenditures ordinarily result from permanent legislation and therefore in past years did not receive any systematic annual review. Such intermittent review as took place generally did not compare tax expenditures with alternative programs using budget outlays and

[9] See Special Analyses, Budget of the United States Government, Fiscal Year 1978.

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other means for the Government to pursue its objectives. Under the Congressional Budget Act of 1974, however, the estimated levels of tax expenditures are to be presented each year in the budget that the President submits to the Congress and in the reports of the Senate and House Budget Committees to their respective Houses on the proposed congressional budget resolutions. This is intended to encourage more systematic examination of tax expenditures by the Congress, the rest of the Government, and the public. The reports of the Senate and House Budget Committees on the concurrent budget resolutions for 1977 explicitly related the estimated receipts and deficit to proposed changes in the dollar amount of tax expenditures. The structural characteristics of the income taxes other than the tax expenditure provisions—although likewise affecting the allocation of resources and the distribution of income—do not receive either a systematic review or this kind of presentation, nor do other taxes besides the individual and corporation income taxes.

The classification of certain provisions of law as resulting in tax expenditures requires some standard against which the law can be compared. Deviations of the law from this standard are deemed to cause tax expenditures. The standard used for the individual income tax includes those provisions that exist under current law for graduated rate schedules, personal exemptions, low-income allowances, and other means of establishing threshold income levels for tax liability. Thus, by definition, these characteristics of the tax structure do not lead to tax expenditures.

However, selecting a standard of comparison depends on normative judgments about what is appropriate. A different standard might exclude personal exemptions and the low-income allowances and thereby classify these provisions as resulting in tax expenditures; or it might integrate the individual and corporation income taxes, in which case the lack of integration under current law could be thought to produce a gain in receipts and thereby a negative tax expenditure. Since provisions of the tax law other than the tax expenditure items have the same kinds of economic effects as do tax expenditures, and since different normative judgments about the standard might cause these provisions to be classified as producing tax expenditures or negative tax expenditures, the provisions of tax law that are not defined as resulting in tax expenditures deserve as much scrutiny as the provisions that do.

Tax expenditures are presented at two places in the budget. Part 5 of the budget, "The Federal Program by Function," discusses the most important tax expenditures in each functional category, together with the outlays and guaranteed loans, in order to describe more fully the effects of governmental policy in each function. Special Analysis F, "Tax Expenditures," discusses the concept of tax expenditures,

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presents a complete list of tax expenditure estimates for 1976–78, and analyzes the effect of the tax proposals in the present budget on tax expenditures.[10]

The figures shown for tax expenditures are necessarily estimates for past years as well as future ones, since they compare actual tax receipts with the tax receipts that would have existed if the tax law had been different. The method of estimation is to assume that only the tax provision in question is deleted, while all other characteristics of the tax system remain the same. If deleting a particular provision increases taxable income, as would occur in most cases, the tax expenditure is then estimated as the increase in taxable income multiplied by the existing tax rates.

The estimates are based on two principal economic assumptions. The first is that the gross national product and other general economic conditions will follow the economic assumptions outlined in Part 3 of the budget and hence will not be affected by removing a particular tax expenditure provision. Thus, the tax expenditure is only the gain in receipts directly caused by removing the provision in question and does not reflect any loss in receipts due to the decline in income that might be induced by the higher taxation. This implies that some offsetting fiscal or other governmental action would be taken to keep general economic conditions unchanged. The second principal economic assumption is that removing the tax expenditure does not affect taxpayer behavior. In many cases this assumption is unrealistic. To the extent that tax expenditures intended to encourage certain economic activity have been successful, their removal would presumably discourage such activity. This would alter the composition of economic activity and might thereby change total receipts.

The size of a particular tax expenditure depends not only on the tax provision in question but also on the interaction of this provision with the rest of the tax structure. A decrease in the tax rate schedule, for example, would reduce the amount of receipts gained by deleting deductions and exclusions. An increase in personal exemptions or the low-income allowance would decrease the number of taxpayers itemizing deductions and would thereby decrease tax expenditures for deductions, particularly those deductions taken disproportionately by low-income taxpayers. The tax changes proposed in this budget, which would lower income tax rates and raise personal exemptions and the low-income allowance, would thus automatically decrease tax expenditures.

The interaction among tax provisions means that special calculations are generally needed to add tax expenditures together. For example, if more than one exclusion from individual income were

[10] See Special Analyses, Budget of the United States Government, Fiscal Year 1978.

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ended, the gain in receipts would generally be greater than the sum of the separate tax expenditures, because more taxpayers would move into higher tax rate brackets. If more than one personal deduction were ended the gain in receipts would generally be smaller than the sum of the separate tax expenditures, because more taxpayers would switch to the standard deduction. According to a special calculation, if all itemized deductions resulting in tax expenditures were repealed, the gain in receipts in 1978 would be $21.2 billion. In comparison, the sum of the tax expenditures for each separate item is $31.3 billion. Consequently, except for a few special calculations, separate tax expenditures are not added together in this budget, because to do so would be misleading. Where tax expenditures for both individuals and corporations result from the same provision, however, such as the investment tax credit, the two estimates may meaningfully be added.

Interaction among separate tax expenditure provisions is one reason why the tax expenditures cannot all be added together to form a meaningful total amount. In addition, there are two conceptual reasons why even a total amount that took these interactions into account would be of little use. First, as explained above, the list of tax expenditure items would be different if a different standard for comparison were used. Any total amount would depend on the normative judgments that defined the standard, and a total based on the present standard could readily be raised or lowered.

Second, the effect of tax expenditures on receipts depends on the extent to which eliminating tax expenditures would be offset by reducing tax rates in order to compensate for the higher receipts that would otherwise be taken by the Federal Government. In the development of the U.S. tax system, tax expenditures have frequently not been changed alone. The use of different taxes, the tax rates for each one, the tax expenditure provisions, and other tax provisions have often been changed together in light of the whole tax structure. One particular provision has sometimes been used to modify or compensate for another provision, and this relationship has involved both tax expenditure provisions and other provisions of the tax law simultaneously. Therefore, if one part of the tax structure were substantially changed, other parts might be substantially changed also. In particular, if all tax expenditures were removed, the tax rate schedule would almost certainly be reduced and the net effect on total receipts might be negligible. Likewise, the effect of the removal of tax expenditures on the resource allocation and income distribution in the economy would depend on which method of changing tax rates and outlays—out of a limitless number of alternatives—was used to compensate for the repeal of the tax expenditure provisions.

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Most tax expenditures in Part 5 of the Budget and in Special Analysis F are classified according to the same major functions used to classify outlays. Some tax expenditures do not easily fit into these categories, however, and have been classified in three special functions: business investment, personal investment, and other tax expenditures.

By far, the largest tax expenditure for business investment is the investment tax credit for equipment. The reduction in receipts is expected to be $11.9 billion in 1978, with $9.7 billion for corporations and $2.2 billion for individuals.

The tax expenditures for personal investment include taxing most realized capital gains at lower rates than are applied to ordinary income. This tax expenditure is estimated to be $7.4 billion in 1978 (in addition to the tax expenditure for capital gains in agriculture). The tax expenditures for the deductibility of mortgage interest and property taxes on owner-occupied homes are estimated as $6.0 billion and $5.0 billion, respectively, or $10.2 billion in total according to a special calculation that takes account of their interaction. For the reasons discussed above, this total is less than the sum of the two separate items.

The main component of other tax expenditures is the deductibility of charitable contributions (other than for education, which are classified functionally as education). This tax expenditure is estimated to be $5.9 billion in 1978, mostly for individuals.

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PART 3

ECONOMIC ASSUMPTIONS AND LONG-RANGE BUDGET PROJECTIONS

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ECONOMIC ASSUMPTIONS AND LONG-RANGE BUDGET PROJECTIONS

This part of the budget discusses the long-range budget outlook and the economic assumptions underlying that outlook. The first section presents economic assumptions for calendar years 1977 through 1982 and explains the nature of these assumptions. The second section examines the budget outlook for the fiscal years 1978 through 1982, presenting projections of receipts by major source and budget authority and outlays by function and agency.

ECONOMIC ASSUMPTIONS

There is a two-way relationship between the economy and the budget. Economic conditions significantly affect the budget, and the budget, in turn, significantly influences economic conditions. Both the tax structure and budget outlays can have a substantial effect on national output, employment and inflation.

At the same time, outlays for many Federal programs are directly linked to developments in the economy, and this linkage has become increasingly strong in recent years. For example, most retirement and other social insurance benefit payments are now tied by law to cost-of-living indexes. Medicare outlays are affected directly by the price of medical services. Interest on the debt is linked to general market interest rates and the size of the budget surplus or deficit, both of which are influenced by economic conditions. Of course, to the extent that outlays rise automatically in response to inflation the budget is less effective in counteracting inflationary pressures than it would be if these linkages did not exist.

Another type of linkage to economic activity is outlays for unemployment and certain related benefits, which vary with the unemployment rate. In addition, budget receipts are significantly affected by individual and corporate incomes and the wage base, all of which respond to both real economic growth and inflation. Thus, receipts and some benefit payments serve as "automatic stabilizers" for the economy by both restraining inflation and cushioning economic downturns.

The following tables present the underlying economic assumptions that have been used for purposes of developing budget estimates. In keeping with most economic data series, these assumptions are presented on a calendar year basis, whereas the budget estimates are presented on a fiscal year basis. These assumptions are being presented in order to provide the Congress and the public with information that may be helpful in understanding and assessing the budget estimates and long-range projections.

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SHORT-RANGE ECONOMIC FORECAST

[Calendar years; dollar amounts in billions]

Item	Actual 1975	Forecast		
		1976	1977	1978
Gross national product:				
Current dollars:				
Amount	1,516	1,693	1,880	2,092
Percent change	7.3	11.6	11.0	11.3
Constant (1972) dollars:				
Amount	1,192	1,265	1,331	1,398
Percent change	—1.8	6.2	5.2	5.1
Incomes (current dollars):				
Personal income	1,250	1,375	1,521	1,684
Wages and salaries	807	890	996	1,102
Corporate profits	114	150	172	194
Price level (percent change):				
GNP deflator:				
Year over year	9.3	5.1	5.6	5.9
Fourth quarter over fourth quarter	7.1	4.7	5.9	5.7
Consumer price index:				
Year over year	9.1	5.7	5.1	5.4
December over December	7.0	4.8	5.3	5.2
Unemployment rates (percent):				
Total	8.5	7.7	7.3	6.6
Insured [1]	7.2	6.4	5.4	4.6
Average Federal pay raise, October (percent)	5.00	4.83	6.50	6.25
Interest rate, 91-day Treasury bills (percent) [2]	5.8	5.0	4.4	4.4

[1] Insured unemployment as a percentage of covered employment.
[2] Average rate on new issues within period; the rate shown for 1977 and 1978 was the current market rate at the time the estimates were made.

The short-term economic assumptions presented in this section have been developed in quite different ways from the longer run assumptions. The assumptions for calendar years 1976 (for which only three quarters of actual data were available at the time the forecast was made), 1977, and 1978 are forecasts of probable economic conditions during these years.

The longer range assumptions for the period 1979 to 1982 are not forecasts of probable economic conditions, but rather assumptions consistent with moving gradually toward a relatively stable price level and a lower level of unemployment. Any economic forecast is subject to substantial error. Even the 1977 forecast involves considerable uncertainty, but the degree of uncertainty rises rapidly in attempting to foresee economic activity in 1978. Beyond 1978, it is impossible to make a forecast with any degree of reliability. It is for this reason that the data in the following table are projections rather than predictions.

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LONG-RANGE ECONOMIC ASSUMPTIONS

[Calendar years; dollar amounts in billions]

Item	Assumptions			
	1979	1980	1981	1982
Gross national product:				
Current dollars:				
Amount	2,334	2,579	2,784	2,963
Percent change	11.6	10.5	7.9	6.4
Constant (1972) dollars:				
Amount	1,480	1,562	1,623	1,680
Percent change	5.9	5.5	3.9	3.5
Incomes (current dollars):				
Personal income	1,879	2,075	2,242	2,389
Wages and salaries	1,228	1,357	1,466	1,562
Corporate profits	218	243	263	280
Price level (percent change):				
GNP deflator:				
Year over year	5.4	4.7	3.8	2.8
Fourth quarter over fourth quarter	5.2	4.4	3.5	2.5
Consumer Price Index:				
Year over year	5.0	4.6	3.8	2.9
December over December	4.9	4.3	3.4	2.4
Unemployment rates (percent):				
Total	5.7	4.9	4.8	4.7
Insured [1]	3.3	2.8	3.0	3.0
Federal pay raise, October (percent)	6.00	5.75	5.25	4.75
Interest rate, 91-day Treasury bills (percent) [2]	4.4	4.4	4.4	4.4

[1] Insured unemployment as a percentage of covered employment.
[2] Current market rate at the time the estimates were made.

In these projections it is assumed that real GNP grows at a 6.5% annual rate beginning in the first quarter of 1979. This growth rate is gradually reduced as potential GNP is approached in 1980, and in 1981 and 1982 the economic projections coincide with the potential GNP path. It is further assumed that this growth pattern is consistent with a continuous slowing in the rate of inflation. The current dollar value of GNP is derived from the assumed inflation and real growth rates, while personal income, wages and salaries, and corporate profits are computed assuming a continuation of the historical trends that relate these data to current dollar GNP. The unemployment rate is projected by using the historical relationship between unemployment and the gap between actual and potential GNP.

There is no intent to imply that the economy will follow the exact path derived from these assumptions. It may grow more rapidly in some periods and less rapidly in others. Nor do the assumptions represent a blueprint for economic policy. Such plans can only be set in the context of more information regarding the evolving relationship

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between inflation and unemployment during the recovery. The purpose of presenting these assumptions is solely to provide a base for projecting a consistent set of budget estimates.

LONG-RANGE BUDGET PROJECTIONS

The effects of current decisions extend beyond the budget year. They establish program trends that have important influences on the size and composition of budgets for years into the future. Just as the composition and level of the 1978 budget have been largely determined by past decisions, the decisions and proposals it embodies can strongly affect subsequent budgets. Thus, major program decisions on the 1978 budget significantly affect the swing from an estimated $47 billion deficit in 1978 to a budget that could be balanced within 2 years.

In accordance with the Congressional Budget Act of 1974, this budget presents projections by agency, major programs, and function for each of the years 1980 through 1982. The budgets for the last 7 years have emphasized the longer range implications of current decisions by presenting 5-year projections of Federal outlays and receipts. In the 1973 budget, detailed 5-year projections of Federal outlays and receipts were added. The 1978 budget departs significantly from the approach used heretofore, with much greater attention given to the so-called "out-years." First, budget figures for the "budget year plus-one," in this case 1979, were reviewed by the President in far greater detail than has been the case in the past, and many decisions for 1978 were based on 1979 budget implications. Second, general policy assumptions are reflected in 1980–82. For example, personal income tax rates are adjusted downward after 1979 to counteract the effects of inflation and real economic growth moving taxpayers into higher tax brackets.

Basic assumptions.—The receipts projections presented in this section are consistent with the foregoing economic assumptions, and with the continuation of current tax laws as modified by the proposals contained in this budget. The outlay and budget authority estimates indicate the degree to which resources would be committed by the continuation of existing and currently proposed programs at the program levels recommended for 1977, 1978 and 1979. These projections are not forecasts of future receipts, outlays, or budget authority, though some attempt is made to anticipate future decisions or their effects, particularly in receipts, nor are the projections recommendations, except to the extent that they are consistent with the objective of restraining the growth in Federal spending.

These projections provide for future cost-of-living adjustments to most benefit levels, Federal pay raises, and other built-in cost increases (such as interest) consistent with the economic assumptions outlined

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above. They also provide for growth in real terms for certain programs, including the health and education block grants, defense procurement, construction, and related activities. The outlay projections assume that the remaining programs are level in current dollars except where there is an explicit budget recommendation to increase or decrease program levels over time.

As discussed in Part 2, the long-range projections in past budgets have underestimated outlays and overestimated the budget margin. Comparing projections for the fifth year out, as set forth in previous budgets, with actual outlays, suggests that on average, actual outlays have been about 30% higher than projected. This has been because of the inherently conservative nature of the underlying assumptions, which do not normally include "add-ons" or anticipate program initiatives, and the effect of the economic conditions different from those assumed. Thus, those programs sensitive to changes in unemployment or the price level, have been higher than projected.

The fiscal outlook.—The table entitled "The Budget Margin, 1977–82", in Part 2 was prepared using the economic assumptions set forth above. Under those assumptions receipts are expected to rise an average of 10.6% per year from 1978 to 1982, rising from $393 billion to $587 billion. Over the same period, outlays are projected to rise 6.2% per year, from $440 billion to $559 billion, leaving a budget margin of $29 billion in 1982. After including the outlays of off-budget Federal entities, this 1982 margin is cut in half to $14 billion. It is sometimes assumed that such a budget margin is automatically available for new outlay programs. However, this conclusion is not warranted. For many spending programs the projections assume that there will be no outlay increases due to inflation. In other words, the projections assume some erosion in the real value of particular program outlays.

In addition, the economic projections underlying the longrun receipt and outlay estimates assume the economy will achieve, or nearly achieve the maximum level of GNP that can be produced with existing resources in the 1980–82 period. Most economists would argue that under these circumstances the Federal Government should run a surplus. As emphasized in the 1976 *Economic Report of the President*, this is particularly important because attainment of our national goals in the 1980's will require substantial amounts of capital.

The table in Part 2, entitled "The Budget Margin, 1977–82", also indicates possible uses of the budget margin that results in 1980–82 under current and proposed law, and possible uses of that margin.

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Given the economic assumptions used here, the ratio of tax liabilities to personal income rises between 1977 and 1979 as inflation and real growth push taxpayers into higher tax brackets. Even if the whole budget margin is applied to income tax reductions, the income tax burden would still exceed its 1977 level in 1982. Another option is to reduce taxes other than income taxes. Alternatively, if the whole margin were applied to debt reduction in order to foster needed capital formation, the surplus in 1982 would fall short of one-half of one percent of 1982 GNP. If the whole margin were applied to new programs and program growth, the implied increase in outlays would be less than 3 percent.

The 49% increase in receipts from 1978 to 1982 is attributable largely to growth in tax bases and enacted and proposed increases in social security taxes.

The President's budget includes major tax proposals, a number of which would become effective retroactively to January 1, 1977. In addition, the President is proposing a longer range policy of individual income tax "adjustments" to offset the tendency for such taxes to rise as a share of personal income as inflation and rising real incomes move people into higher tax brackets. Over the past two decades, legislated tax reductions have offset implicit increases of this nature. Without these reductions, total Federal receipts would have risen to a much larger percentage of GNP than they now claim.

Individual income taxes rise from $171.2 billion in 1978 to $267.7 billion in 1982. Corporation income taxes rise by 32% over this same period, from $58.9 billion to $78.0 billion. Tax proposals included in this budget reduce individual and corporation income taxes by $16.0 billion in 1978 and $61.9 billion by 1982 from what they would be under a simple extension of current tax legislation. The largest such reductions result from:

- tax reductions proposed to be retroactive to January 1, 1977; these proposals reduce individual and corporate income taxes by $14.7 billion in 1978, and by $16.5 billion by 1982, and
- integration of individual and corporation income taxation; this proposal reduces receipts by $1.1 billion in 1978 and by $14.2 billion in 1982,
- "tax adjustments," as discussed above to hold the effective tax rate constant from calendar years 1979 to 1982; these adjustments reduce receipts by $7.3 billion in 1979, $19.6 billion in 1980, and $30.6 billion in 1982.

For a more detailed discussion of these and other tax proposals, see Part 4 of the budget.

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PROJECTED RECEIPTS BY SOURCE

[In billions of dollars]

Source	1977	1978	1979	1980	1981	1982
Individual income taxes	153.1	171.2	205.3	234.1	252.3	267.7
Corporation income taxes	56.6	58.9	63.7	69.7	74.7	78.0
Social insurance taxes and contributions (trust funds)	108.9	126.1	146.2	164.8	182.6	196.5
Excise taxes	17.9	18.5	19.1	19.6	20.0	20.1
Estate and gift taxes	5.9	5.8	6.3	6.9	7.3	7.9
Customs duties	4.7	5.3	5.9	6.5	7.0	7.5
Miscellaneous receipts	6.9	7.2	7.7	8.5	9.1	9.7
Total budget receipts	354.0	393.0	454.4	510.0	553.1	587.3
MEMORANDUM: Effect of Proposed Legislation						
In comparison to current law:						
Individual income tax	−6.0	−19.2	−22.5	−31.8	−47.1	−62.5
Corporation income tax	−1.1	−4.7	−8.3	−10.5	−14.7	−19.6
Social insurance taxes	-----	1.3	6.4	11.3	13.2	14.2
Other	.2	.1	.1	4.5	5.5	5.7
Total	−6.9	−22.5	−24.3	−26.5	−43.0	−62.2
In comparison to extension of temporary tax provisions:						
Individual income tax	−6.0	−12.4	−11.2	−19.9	−34.4	−48.6
Corporation income tax	−1.1	−3.6	−5.9	−7.9	−10.4	−13.3
Social insurance taxes	-----	1.3	6.4	11.3	13.2	14.2
Other	.2	.1	.1	.1	.1	.1
Total	−6.9	−14.6	−10.6	−16.4	−31.5	−47.5

Social insurance taxes and contributions, which have increased from only 12.5% of receipts in 1956 to almost 31% two decades later, are projected to increase by 56% between 1978 and 1982. Under current law, the social security tax rate is scheduled to increase from the current rate of 11.7% to 12.1% on January 1, 1978, and to 12.6% on January 1, 1981. As part of the program to restore the fiscal integrity of the social security trust fund, the President is proposing additional increases in this rate of 0.2 in January 1978, 0.6 in January 1979, and 0.3 in January 1980. Thus, in 1981 the combined employer-employee rate would total 13.7%, two percentage points above its current level. In addition to these rate increases, the taxable earnings base is projected to increase automatically under current law, from its current level of $16,500 to $23,700 by January 1982.

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Estate and gift taxes, customs, excise taxes, and miscellaneous receipts are projected at $45.2 billion in 1982, an increase of $8.4 billion from 1978. These estimates assume continuation of the 4 cents per gallon Federal excise tax on gasoline and other highway trust fund taxes, which are scheduled to decline or expire on September 30, 1979, under current law.

The full-employment budget is an analytical concept based on the budget estimates that would be generated if the economy were continually operating at a level of full employment. In previous years, full-employment budget estimates were based upon a 4% unemployment rate benchmark. The full-employment budget estimates presented this year, however, are based on revised estimates of potential GNP developed by the Council of Economic Advisers. These estimates are based on an unemployment rate benchmark which reflects changes in the demographic composition of the labor force. The benchmark unemployment rate in 1976 to 1979 is 4.9% and declines to 4.7% by 1982. This rate is consistent with a 4.0% rate in 1955, adjusted for changes in the composition of the labor force. For a more detailed discussion of the revisions in potential GNP, see this year's *Economic Report of the President.* Full employment outlays include only that portion of the outlays for benefits under the regular unemployment insurance program that would be paid if the economy were continuously operating at full employment. They thus eliminate the fluctuations in actual outlays for these benefits due to year-to-year changes in the unemployment rate. The differences between these adjusted receipts and outlay estimates are full-employment budget margins. Changes in these margins from one year to the next provide a rough measure of discretionary changes in fiscal policy (i.e., excluding changes due to automatic stabilizers).

FULL EMPLOYMENT RECEIPTS AND OUTLAYS

[In billions of dollars]

	1976	1977	1978	1979	1980	1981	1982
Full-employment outlays	360	406	435	464	496	527	559
Full-employment receipts [1]	336	380	417	470	514	551	583
Full-employment budget margin	−24	−26	−18	6	18	24	24
Deficit of off-budget Federal entities	*−7*	*−11*	*−9*	*−11*	*−12*	*−13*	*−14*
Full-employment budget margin including off-budget Federal entities	*−31*	*−37*	*−27*	*−5*	*6*	*11*	*10*

[1] Actual receipts exceed full-employment receipts in 1981 and 1982. This is because actual unemployment insurance taxes in these years are greater than those that would result if the economy were continuously operating at full employment.

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Full-employment outlays are estimated at $435 billion in 1978, rising to $559 billion in 1982. Full-employment receipts are projected to increase from $417 billion in 1978 to $583 billion in 1982. The full-employment margin, including the outlays of off-budget Federal entities, increases from —$27 billion in 1978 to $10 billion in 1982.

Budget trends.—The major trend in the composition of the budget outlays over the last 20 years has been the rapid growth of domestic assistance programs and the corresponding relative decline in spending for direct Federal operations, particularly and until recently, defense. Over the past two decades, outlays for domestic assistance have increased much more rapidly than national output, and more rapidly than total Federal outlays. The projections to 1982 indicate that the proposals in this budget reverse the latter trend.

Direct Federal operations include Federal purchases of goods and services for use in Government programs such as defense and space explorations, compensation of Federal employees, payment of interest on the public debt, and energy research and development.

BUDGET COMPOSITION

[Percent of total outlays]

Description	Actual					Estimate	
	1956	1960	1964	1968	1972	1978	1982
Domestic assistance	**22.3**	**29.4**	**30.6**	**32.5**	**45.7**	**54.4**	**53.7**
Payments for individuals:							
Direct [1]	(17.0)	(21.8)	(22.1)	(22.1)	(30.2)	(38.2)	(39.9)
Indirect [grants-in-aid]	(2.5)	(2.7)	(3.0)	(3.4)	(6.3)	(5.8)	(6.1)
All other grants-in-aid [1]	(2.8)	(4.9)	(5.5)	(7.0)	(9.2)	(10.4)	(7.7)
Direct Federal operations	**77.7**	**70.5**	**69.4**	**67.5**	**54.4**	**45.6**	**46.4**
National defense	(56.4)	(49.0)	(44.5)	(44.4)	(33.4)	(25.5)	(28.5)
Net interest	(7.2)	(7.5)	(6.9)	(6.2)	(6.7)	(7.1)	(6.2)
Other	(14.1)	(14.0)	(18.0)	(16.9)	(14.3)	(13.0)	(11.6)
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

[1] Excludes military retired pay and grants classified in the national defense function.

The detailed composition of the 5-year projections of outlays and budget authority is shown on pages — by major function and agency. Outlays of off-budget Federal entities rise from $9.2 billion in 1978 to $14.3 billion in 1982. While total budget outlays increase by 27% from 1978 to 1982, outlays for health, income security, and national defense increase faster than total outlays. Health and income security outlays rise by 36% and 34% respectively. The 5-year Defense projection is

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calculated on the basis of a significant real increase in resources, and rises by 42% in current dollars.

Projected outlays for other functions, such as interest and general government decline in relative terms but not absolutely. Outlays for education, training, and social services are projected to decline slightly, in large part due to the anticipated fall in unemployment, and hence, to decreases in various employment and training assistance programs. However, these trends are influenced by the guidelines used in developing long-range projections. For example, functions such as income security that consist largely of programs indexed to the cost-of-living reflect assumptions about anticipated inflation. Functions that consist largely of programs without such mandatory adjustments appear to grow more slowly. Moreover, the national defense function includes allowances for pay increases and for increases in the prices of purchases of goods and services. For the other functions these allowances are not shown on a function-by-function basis, but rather as a single entry. Thus, while the functional trends may in some cases reflect the future implications of current law and budget proposals, they are not predictions of the likely eventual outcome.

The recent large increases and additions to domestic assistance programs have, until recently, been offset by real reductions in direct Federal operations, particularly defense. Thus, the rise in outlays for health and for income security—to 45% of total outlays by 1982, compared to 33% in 1971—indicates an increased response to human needs, but also a long-range budgetary problem of fundamental importance if these programs were to grow in the future at the same rate as they have in the past. The budget cannot accommodate the same rates of growth in the future, and maintain or increase defense and other direct Federal activities unless the Federal Government assumes an ever-increasing portion of GNP through increased taxes or continued large deficits.

Controllability.—Outlays in any one year are considered to be relatively uncontrollable by the President when the program level is determined by existing statute or by contract. Relatively uncontrollable outlays consist of two major categories: open-ended programs and fixed costs, and payments out of prior-year contracts and obligations. The percentage of open-ended programs and fixed costs under current law is projected to reach 62% by 1982. As recently as 1967 open-ended programs and fixed costs amounted to 36% of the budget. By 1973 they were more than 50% of the budget and in 1978 they are expected to be 58%. This substantial growth since then has been due primarily to the rapid increase in benefit payments for individuals.

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CONTROLLABILITY OF PROJECTED BUDGET OUTLAYS

[In billions of dollars]

Category	1978	1979	1980	1981	1982
Relatively uncontrollable under present law:*					
Open-ended programs and fixed costs:					
Social security and railroad retirement	95.7	105.4	115.4	125.8	136.0
Medicare and medicaid	37.9	44.0	50.7	58.2	66.3
Other payments for individuals	74.2	76.9	80.3	83.7	87.0
Net interest	31.2	33.2	34.9	36.6	39.6
Countercyclical and general revenue sharing	6.8	6.9	6.9	6.9	6.9
Other open-ended programs and fixed costs	11.5	10.8	11.3	10.9	10.8
Subtotal, open-ended programs and fixed costs	257.2	277.2	299.5	322.0	346.7
Other:					
Relatively controllable and other budget outlays:					
Proposed changes in open-ended programs and fixed costs	−19.8	−24.7	−29.8	−36.1	−43.1
Undistributed employer share, employee retirement	−4.7	−5.1	−5.5	−5.8	−6.2
New programs and other budget outlays*	207.2	218.6	232.3	246.9	261.3
Subtotal, total relatively controllable and other budget outlays	182.8	188.8	197.1	205.0	212.0
Total	440.0	466.0	496.6	527.0	558.7

*For purposes of long-range projections, outlays from prior-year contracts and obligations, which are relatively uncontrollable, are included in the category "New programs and other budget outlays". These amounts are shown separately in Table 16, in Part 9.

In addition to open-ended programs and fixed costs, outlays for "prior-year contracts and obligations" amount to an additional 15% to 20% of the budget and are considered relatively uncontrollable in the short run. Though these outlays are not projected beyond the budget year, they suggest that the relatively uncontrollable portion of the budget amounts to 75% to 80% of the total in the short-run.

The degree of uncontrollability in the budget has obvious fiscal policy implications. Without changes in legislation or careful control of obligations that result in spending in subsequent years, attempts to control total budget outlays fall on an increasingly smaller proportion of the budget. The President has proposed legislation to change some of the relatively uncontrollable programs. The effect of these proposals is reflected in the line "relatively controllable and other budget outlays" in the above table, and are discussed in detail in part 9 of the budget.

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BUDGET AUTHORITY BY FUNCTION

[In billions of dollars]

	Estimate		Projection		
	1978	1979	1980	1981	1982
Budget authority:					
National defense	122.9	135.5	145.9	156.9	167.1
International affairs	9.0	9.6	8.7	8.5	8.3
General science, space, and technology	4.9	5.2	5.2	4.9	4.5
Natural resources, environment, and energy	19.1	18.8	18.3	17.7	18.6
Off-budget Federal entities	*(83.0)*	*(0)*	*(0)*	*(8.0)*	*(0)*
Agriculture	2.7	2.5	2.3	1.7	2.1
Commerce and transportation	18.7	19.4	19.9	20.6	20.4
Off-budget Federal entities	*(0.8)*	*(0.8)*	*(0.8)*	*(0.8)*	*(0.8)*
Community and regional development	6.4	6.4	6.4	6.3	6.1
Off-budget Federal entities	*(0.1)*	*(0.1)*	*(0.1)*	*(0.1)*	*(0.1)*
Education, training, employment, and social services	18.0	18.5	18.6	18.8	19.0
Health	47.4	52.1	56.9	65.9	73.2
Income security	170.2	185.9	203.7	219.2	232.2
Off-budget Federal entities	(*)	(*)	(*)	(*)	(*)
Veterans benefits and services	18.2	18.6	18.1	17.6	17.3
Law enforcement and justice	3.7	3.8	3.7	3.7	3.8
General government	3.9	4.0	3.9	3.9	3.8
Off-budget Federal entities	*(10.0)*	*(10.5)*	*(11.0)*	*(11.5)*	*(12.1)*
Revenue sharing and general purpose fiscal assistance	9.1	8.7	9.8	8.9	9.9
Interest	39.7	42.4	44.0	45.1	47.3
Allowances:					
Civilian agency pay raises	1.2	2.3	3.5	4.7	5.9
Contingencies	1.8	2.0	3.5	4.8	5.8
Undistributed offsetting receipts:					
Employer share, employee retirement	−4.7	−5.1	−5.5	−5.8	−6.2
Interest received by trust funds	−8.7	−9.7	−10.6	−11.5	−12.5
Rents and royalties on the Outer Continental Shelf	−3.1	−2.5	−2.5	−2.5	−2.5
Total budget authority	**480.4**	**518.6**	**553.9**	**589.5**	**623.9**
Budget authority, off-budget Federal entities	*93.8*	*11.3*	*11.8*	*20.4*	*13.0*
Budget authority, including off-budget Federal entities	*574.2*	*529.9*	*565.7*	*609.9*	*636.9*

*Less than $50 million.

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BUDGET OUTLAYS BY FUNCTION

[In billions of dollars]

	Estimate		Projection		
	1978	1979	1980	1981	1982
Budget outlays:					
National defense	112.3	123.8	136.3	148.2	159.0
International affairs	7.3	7.6	7.7	7.9	8.0
Off-budget Federal entities	*(−0.1)*	*(−0.1)*	*(−0.1)*	*(−0.1)*	*(−0.1)*
General science, space, and technology	4.7	5.2	5.1	4.9	4.6
Natural resources, environment, and energy	19.7	20.6	19.3	18.6	18.7
Off-budget Federal entities	*(−0.1)*	*(−0.1)*	*(−0.1)*	*(−0.1)*	*(−0.1)*
Agriculture	2.3	1.9	2.2	2.1	2.3
Commerce and transportation	19.3	18.6	19.6	18.7	18.3
Off-budget Federal entities	*(2.5)*	*(3.2)*	*(3.2)*	*(3.2)*	*(3.1)*
Community and regional development	7.9	7.1	6.5	6.5	6.4
Off-budget Federal entities	*(0.1)*	*(0.1)*	*(0.1)*	*(0.1)*	*(0.1)*
Education, training, employment, and social services	19.4	18.1	18.3	18.4	18.6
Health	43.2	46.7	50.4	54.4	58.9
Income security	143.9	152.8	164.4	178.7	192.6
Off-budget Federal entities	(*)	(*)	(*)	(*)	(*)
Veterans benefits and services	18.3	18.0	18.1	17.6	17.3
Law enforcement and justice	3.8	3.8	3.8	3.8	3.8
General government	3.9	4.0	4.0	3.9	3.8
Off-budget Federal entities	*(5.9)*	*(6.2)*	*(6.5)*	*(6.9)*	*(7.2)*
Revenue sharing and general purpose fiscal assistance	8.1	8.3	8.4	8.5	8.6
Interest	39.7	42.4	44.0	45.1	47.3
Allowances:					
Civilian agency pay raises	1.2	2.3	3.5	4.7	5.9
Contingencies	1.5	2.0	3.5	4.8	5.8
Undistributed offsetting receipts:					
Employer share, employee retirement	−4.7	−5.1	−5.4	−5.8	−6.2
Interest received by trust funds	−8.7	−9.7	−10.6	−11.5	−12.5
Rents and royalties on the Outer Continental Shelf	−3.1	−2.5	−2.5	−2.5	−2.5
Total budget outlays	**440.0**	**466.0**	**496.6**	**527.0**	**558.7**
Outlays, off-budget Federal entities	*9.2*	*10.9*	*12.1*	*13.1*	*14.3*
Outlays, including off-budget Federal entities	*449.2*	*476.9*	*508.7*	*540.1*	*573.0*

*Less than $50 million.

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BUDGET AUTHORITY BY AGENCY

[In billions of dollars]

Department or other unit	Estimates		Projections		
	1978	1979	1980	1981	1982
Budget authority:					
Legislative and judicial branches	1.5	1.7	1.6	1.6	1.7
Executive Office of the President	.1	.1	.1	.1	.1
Funds appropriated to the President	4.1	3.8	3.3	3.2	3.2
Agriculture	12.4	12.9	13.1	13.1	13.8
Food stamps and other nutrition programs	(6.7)	(7.2)	(7.5)	(7.9)	(8.1)
Other Agriculture	(5.7)	(5.7)	(5.6)	(5.2)	(5.7)
Off-budget Federal entities	(.1)	(.1)	(.1)	(.1)	(.1)
Commerce	1.9	1.9	2.1	1.8	1.6
Defense—Military	121.7	134.3	144.7	155.6	165.7
Military personnel	(26.2)	(26.3)	(26.4)	(26.5)	(26.6)
Retired military personnel	(9.0)	(9.7)	(10.5)	(11.2)	(11.8)
Operation and maintenance	(34.2)	(35.6)	(37.3)	(39.2)	(41.2)
Procurement	(35.1)	(39.0)	(43.8)	(48.1)	(52.4)
R.D.T. & E.	(12.0)	(13.0)	(14.6)	(15.2)	(15.7)
Other	(5.2)	(10.7)	(12.1)	(15.4)	(18.0)
Defense—Civil	2.6	2.6	2.6	2.6	2.6
Health, Education, and Welfare	161.1	181.2	202.8	224.3	242.7
Social security	(88.6)	(103.3)	(119.3)	(131.1)	(141.4)
Medicare	(28.6)	(32.6)	(36.7)	(44.8)	(51.2)
Other Health, Education, and Welfare	(44.4)	(45.3)	(46.8)	(48.4)	(50.1)
Housing and Urban Development	29.7	29.6	29.8	29.7	29.6
Off-budget Federal entities	(.8)	(.8)	(.8)	(.8)	(.8)
Interior	3.6	3.9	4.1	4.0	3.8
Justice	2.3	2.4	2.3	2.3	2.3
Labor	20.7	19.2	18.3	19.9	21.0
Unemployment trust fund	(17.2)	(17.4)	(17.5)	(17.9)	(17.9)
Other Labor	(3.5)	(1.8)	(0.8)	(2.0)	(3.1)
Off-budget Federal entities	(*)	(*)	(*)	(*)	(*)
State	1.4	1.4	1.6	1.7	1.8
Transportation	13.0	14.4	14.6	15.7	15.7
Treasury	51.0	53.2	55.9	56.1	59.3
Interest on the public debt	(44.6)	(47.3)	(48.9)	(50.0)	(52.2)
General revenue sharing	(6.8)	(6.9)	(6.9)	(6.9)	(6.9)
Other Treasury	(11.8)	(11.2)	(12.3)	(11.4)	(12.4)
Offsetting receipts	(−12.2)	(−12.2)	(−12.2)	(−12.2)	(−12.2)
Off-budget Federal entities	(9.9)	(10.5)	(11.0)	(11.5)	(12.1)
Civil Service Commission	17.1	18.6	20.1	21.0	21.8
Export-Import Bank	1.6	2.2	1.8	1.5	1.2
National Aeronautics and Space Administration	4.0	4.4	4.3	4.0	3.6
Veterans Administration	18.2	18.6	18.1	17.6	17.3
Other agencies	25.7	25.2	24.3	24.3	24.6
Off-budget Federal entities	(83.0)	(−.1)	(−.1)	(7.9)	(−.1)
Allowances	3.0	4.3	7.0	9.5	11.7
Undistributed offsetting receipts	−16.5	−17.3	−18.6	−19.8	−21.2
Total budget authority	**480.4**	**518.6**	**553.9**	**589.5**	**623.9**
Budget authority, off-budget Federal entities	*93.8*	*11.3*	*11.8*	*20.4*	*13.0*
Budget authority, including off-budget Federal entities	*574.2*	*529.9*	*565.7*	*609.9*	*636.9*

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BUDGET OUTLAYS BY AGENCY

[In millions of dollars]

Department or other unit	Estimate		Projection		
	1978	1979	1980	1981	1982
Budget outlays:					
Legislative and judicial branches	1.5	1.8	1.6	1.6	1.7
Executive Office of the President	.1	.1	.1	.1	.1
Funds appropriated to the President	5.1	4.7	4.7	4.6	4.7
Agriculture	12.8	12.5	13.1	13.5	14.0
Food stamps and other nutrition programs	(7.0)	(7.2)	(7.5)	(7.9)	(8.2)
Other Agriculture	(5.8)	(5.2)	(5.0)	(4.9)	(5.1)
Off-budget Federal entities	(.1)	(.1)	(.1)	(.1)	(.1)
Commerce	2.9	2.3	2.2	1.9	1.8
Defense—Military	109.5	120.8	133.3	145.2	156.0
Military personnel	(26.0)	(26.2)	(26.4)	(26.5)	(26.6)
Retired military personnel	(9.0)	(9.7)	(10.4)	(11.2)	(11.8)
Operation and maintenance	(33.6)	(35.2)	(37.0)	(38.8)	(40.8)
Procurement	(23.8)	(28.8)	(34.2)	(39.1)	(43.9)
R.D.T. & E	(11.4)	(12.5)	(13.9)	(14.8)	(15.3)
Other	(5.7)	(8.4)	(11.4)	(14.8)	(17.6)
Defense—Civil	2.6	2.6	2.6	2.6	2.6
Health, Education, and Welfare	159.4	171.9	186.0	200.6	215.5
Social Security	(90.8)	(99.7)	(109.2)	(119.1)	(128.9)
Medicare	(24.3)	(26.7)	(30.1)	(33.3)	(36.9)
Other, Health, Education, and Welfare	(44.2)	(45.5)	(46.7)	(48.2)	(49.7)
Housing and Urban Development	8.7	9.1	10.6	11.4	12.5
Off-budget Federal entities	(.7)	(.8)	(.7)	(.7)	(.7)
Interior	3.5	3.7	3.8	3.8	3.6
Justice	2.4	2.4	2.4	2.3	2.3
Labor	19.6	15.7	14.2	15.0	15.5
Unemployment trust fund	(13.3)	(13.9)	(13.5)	(13.0)	(12.4)
Other Labor	(6.3)	(1.8)	(0.7)	(2.0)	(3.1)
Off-budget Federal entities	(*)	(*)	(*)	(*)	(*)
State	1.3	1.4	1.5	1.6	1.7
Transportation	14.6	15.2	15.4	15.2	15.2
Treasury	50.0	52.7	54.5	55.7	58.0
Interest on the public debt	(44.6)	(47.3)	(48.9)	(50.0)	(52.2)
General revenue sharing	(6.8)	(6.9)	(6.9)	(6.9)	(6.9)
Other Treasury	(10.8)	(10.7)	(10.9)	(11.0)	(11.1)
Offsetting receipts	(−12.2)	(−12.2)	(−12.2)	(−12.2)	(−12.2)
Off-budget Federal entities	(5.8)	(6.1)	(6.4)	(6.8)	(7.3)
Civil Service Commission	11.3	12.7	14.2	15.6	17.1
Export-Import Bank	1.0	1.1	1.1	1.2	1.1
National Aeronautics and Space Administration	3.9	4.3	4.3	4.1	3.7
Veterans Administration	18.3	17.9	18.0	17.5	17.2
Other agencies	25.3	26.1	25.2	24.5	24.0
Off-budget Federal entities	(2.4)	(3.9)	(4.9)	(5.6)	(6.4)
Allowances	2.7	4.3	7.0	9.5	11.7
Undistributed offsetting receipts	−16.5	−17.3	−18.6	−19.8	−21.2
Total budget outlays	**440.0**	**466.0**	**496.6**	**527.0**	**558.7**
Outlays, off-budget Federal entities	*9.2*	*10.9*	*12.1*	*13.1*	*14.3*
Outlays, including off-budget Federal entities	*449.2*	*476.9*	*508.7*	*540.1*	*573.0*

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PART 4

BUDGET RECEIPTS

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BUDGET RECEIPTS

This section of the budget describes the major sources of budget receipts for 1976 to 1979 and discusses the proposals affecting them. The detail of budget receipts by source is shown in table 12 in Part 9. The economic assumptions underlying the estimates are presented in Part 3 together with longer range estimates of receipts, estimates of receipts at full employment, and proposals affecting receipts for 1980 to 1982. Part 6 provides an analysis of the difference between receipts for 1976 and the transition quarter and the budget estimates for these fiscal periods made 2 years ago.

SUMMARY

Total budget receipts in 1978 are estimated at $393 billion, an increase of $39 billion from the $354 billion for 1977. Receipts in 1979 are estimated at $454 billion. These estimates reflect the effect of:

- the recently enacted Tax Reform Act of 1976, which extended temporary tax reductions that were scheduled to expire, and enacted or made permanent a number of major tax reforms and other changes;
- increases in unemployment insurance taxes enacted in the Unemployment Compensation Amendments of 1976;
- proposed permanent reductions in individual and corporation income taxes, to be made retroactive to January 1, 1977;
- increases in the social security tax rate and base as scheduled under current law and proposed increases in the social security tax rate on January 1, 1978 and 1979; and
- proposed integration of individual and corporation income taxes, beginning in January 1978.

Composition of budget receipts.—The Federal tax system relies predominantly on income and payroll taxes. Taking into account the President's tax proposals, in 1978:

- Income taxes paid by individuals and corporations are estimated at $171 billion and $59 billion, respectively. Combined, these sources account for 59% of estimated total budget receipts.
- Social insurance taxes and contributions—composed largely of payroll taxes levied on wages and salaries, most of which are paid equally by employers and employees—will produce an estimated $126 billion, 32% of the estimated total.

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- Excise taxes imposed on selected commodities, services, and activities are expected to provide $19 billion, 5% of the total.
- Other taxes and miscellaneous receipts will amount to an estimated $18 billion, the remaining 5% of the total.

While the amount of receipts in 1979 is larger, as shown in the following table, the proportions remain virtually the same.

BUDGET RECEIPTS BY SOURCE

[In billions of dollars]

Source	1976 actual	TQ actual	1977 estimate	1978 estimate	1979 estimate
Individual income tax	131.6	38.8	153.1	171.2	205.3
Corporation income tax	41.4	8.5	56.6	58.9	63.7
Social insurance taxes and contributions	92.7	25.8	108.9	126.1	146.2
Excise taxes	17.0	4.5	17.9	18.5	19.1
Estate and gift taxes	5.2	1.5	5.9	5.8	6.3
Customs duties	4.1	1.2	4.7	5.3	5.9
Miscellaneous receipts	8.0	1.6	6.9	7.2	7.9
Total budget receipts	**300.0**	**81.8**	**354.0**	**393.0**	**454.4**

ENACTED TAX CHANGES

In the last 2 years, three major laws have changed individual and corporation income taxes. The first was the Tax Reduction Act of 1975 (Public Law 94-12), enacted March 29, 1975. It provided a partial rebate of calendar year 1974 individual income tax liabilities, a number of temporary reductions in individual and corporation income tax liabilities (generally applicable to calendar year 1975), and a few permanent changes in the tax structure, most notably limits on percentage depletion for oil and gas producers and revisions in the tax treatment of certain foreign income. Because the law was not enacted until late March of that year, the change in withholding schedules to reflect the reduction was not made until May 1, 1975. Individual income tax withholding rates were reduced to effect the full year's tax reduction during the 8 months remaining in the year; these withholding rate reductions, therefore, had to be greater than would have been necessary if they had been introduced on January 1, 1975.

The second major tax statute was the Revenue Adjustment Act of 1975 (Public Law 94–164), which was enacted on December 23, 1975. This act, in effect, provided tax reductions for the first 6 months of calendar year 1976. For corporations, the act extended the rate reductions that were enacted in the Tax Reduction Act of 1975. For individuals, however, a larger annual-rate tax reduction was enacted in order to avoid increasing the withholding rates that applied during the last 8 months of calendar year 1975.

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EFFECT ON RECEIPTS OF MAJOR LEGISLATION

[In billions of dollars]

	1975	1976	TQ	1977	1978	1979
Tax Reduction Act of 1975:						
Individual income tax	−9.4	−7.8	−*	−.6	−.1	−.1
Corporation income tax	−.8	−2.0	−.1	1.0	2.9	3.3
Subtotal	−10.2	−9.9	−.2	.4	2.8	3.2
Revenue Adjustment Act of 1975:						
Individual income tax	-------	−5.4	−.5	−.9	-------	-------
Corporation income tax	-------	−.6	−*	−.4	-------	-------
Subtotal	-------	−6.0	−.5	−1.3	-------	-------
Tax Reform Act of 1976: [1]						
Individual income tax	-------	-------	−2.5	−12.7	−7.7	−3.8
Corporation income tax	-------	-------	−.3	−2.6	−3.5	−2.4
Other (largely estate and gift)	-------	-------	-------	−*	−.7	−1.0
Subtotal	-------	-------	−2.8	−15.3	−11.9	−7.1
Total effect of above acts:						
Individual income tax	−9.4	−13.2	−3.0	−14.3	−7.9	−3.9
Corporation income tax	−.8	−2.6	−.4	−1.9	−.5	1.0
Other	-------	-------	-------	−*	−.7	−1.0
Total	−10.2	−15.8	−3.5	−16.2	−9.2	−3.9
ADDENDUM						
Further effect of Tax Reform Act of 1976 if temporary features are permanently extended:						
Individual income tax	-------	-------	-------	-------	−6.8	−11.3
Corporation income tax	-------	-------	-------	-------	−1.0	−2.4
Total [2]	-------	-------	-------	-------	−7.8	−13.7

*Less than $50 million.

[1] Includes the effect of interim legislation that extended individual income tax withholding rates and corporation income tax rate reductions from July 1, 1976 to October 4, 1976, when the Tax Reform Act of 1976 was enacted.

[2] Permanent extension would also increase earned income credit outlays by $0.8 billion in 1979.

The last major tax act affecting individual and corporation income taxes (as well as estate and gift taxes and, to a very small degree, excise taxes) was the Tax Reform Act of 1976 (Public Law 94–455), enacted October 4, 1976.[1] This act extended some temporary provisions scheduled to expire and made others permanent. It also enacted a number of major tax reforms and other changes. The table above shows the effect of these three acts on receipts for the years 1975–79.

[1] The Congress also enacted interim legislation that extended individual income tax withholding rates and corporation income tax rate reductions. These rates were scheduled to increase July 1, 1976, and were extended because the Congress had not completed action on the substantive tax law changes that were later incorporated into the Tax Reform Act of 1976.

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The Tax Reform Act of 1976 can be subdivided into two major parts: extension of temporary income tax reductions, and tax reforms and other changes. All of the major temporary provisions affecting individual income taxes had been scheduled to expire on June 30, 1976. The Tax Reform Act extended all these provisions as they were in the first half of calendar year 1976, and made some of them permanent. These provisions were:

- A $35 tax credit per exemption (except the special exemptions for the blind and aged) or an optional credit equal to 2% of the taxpayer's taxable income up to $9,000, whichever is larger. These provisions were extended through December 31, 1977.
- An increase in the low-income allowance (minimum standard deduction). The allowance, which was scheduled to return to its calendar year 1974 level of $1,300 for both joint returns and single persons, was extended permanently at $2,100 for a joint return and $1,700 for a single person.
- An increase in the percentage standard deduction. It was scheduled to return to 15% with a maximum of $2,000 but was extended permanently at 16% of adjusted gross income with a maximum of $2,800 for a joint return or $2,400 for a single person.
- Extension of the earned income credit, for families with dependent children, equal to 10% of earned income subject to a maximum of $400. The maximum credit is phased down to zero between adjusted gross income (or earned income, if greater), of $4,000 and $8,000. For budget purposes, payments to recipients of such credit in excess of tax liabilities otherwise owed are counted as outlays rather than as reductions in receipts.[2] This credit was extended through the end of calendar year 1977.

The major provisions affecting corporation income tax liabilities that were extended by the Tax Reform Act were:

- Rate reductions in earlier legislation—from 22% to 20% on the first $25,000 of income and from 48% to 22% on the second $25,000—were extended from June 30, 1976, to December 31, 1977.
- An increase in the investment credit from 7% (4% for public utilities) to 10% for equipment acquired and put in service in calendar years 1975 and 1976. The Tax Reform Act extended the 10% credit through calendar year 1980.[3]

The Tax Reform Act of 1976 made many changes in the income tax law. The table below summarizes only those major areas of change that have the largest effect on receipts. The largest single effect is from changes in the minimum tax for individuals. The act

[2] The congressional budget resolutions count the entire amounts as offsets to receipts and show no budget outlays for this item.

[3] This provision also applies to unincorporated business and therefore also directly lowers taxes on income from such businesses payable by individuals.

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increased the minimum tax rate from 10% to 15% and expanded the tax base to which this rate applies. Many of the provisions related to "tax shelters" and tax simplification for individuals reflect the administration's earlier proposals. The increases in receipts from the "tax shelter" provisions are offset by reduced receipts from the tax simplification provisions. The act also increased receipts by imposing new limitations on taxes deferred through Domestic International Sales Corporations.

Reforms to estate and gift taxes will lower receipts significantly, beginning in 1978. The act unified estate and gift taxes, providing a unified rate schedule for both taxes that applies to cumulative transfers during lifetime and after death. Previously, gift tax rates were three-fourths of the corresponding estate tax rates and gifts were not added to the estate in determining the rates that applied to the estate. The current exemptions of $60,000 for estate taxes and $30,000 for gift taxes are replaced by a unified credit that will increase gradually from $30,000 for decedents dying in calendar year 1977, to $47,000 in calendar year 1981 and subsequent years. The $47,000 credit is roughly equivalent to a $175,000 exemption.

TAX REFORM ACT OF 1976:
EFFECT OF TAX REFORM AND OTHER CHANGES ON RECEIPTS[1]

[In billions of dollars]

	1977	1978	1979
Income tax changes:			
Minimum tax for individuals	1.1	1.3	1.4
Tax shelter provisions	.4	.4	.5
Tax simplification	—.4	—.4	—.5
Amendments affecting Domestic International Sales Corporations (DISC)	.5	.6	.6
All other (net)	—.1	—*	*
Subtotal, income tax changes	1.5	1.7	2.1
Estate and gift tax changes	—*	—.7	—1.0
Total, tax reform and other changes	**1.5**	**1.0**	**1.1**

*Less than $50 million.

[1] Excludes effect of extension of temporary tax reductions. The total effect of the Tax Reform Act, including extension of the temporary tax reductions, is shown in the preceding table.

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PROPOSED TAX CHANGES

Individual and corporation income taxes.—The budget reflects the President's proposals for permanent income tax reductions to become effective retroactive to January 1, 1977. These reductions—which include replacement of some temporary provisions of the Tax Reform Act—would reduce receipts by $7.2 billion in 1977, by $22.6 billion in 1978, and by $27.3 billion in 1979. In comparison to the receipts that would result from extending the temporary provisions of the Tax Reform Act, the reductions in receipts are $7.2 billion in 1977, $14.7 billion in 1978, and $13.7 billion in 1979.[4]

The major proposals relating to individual income taxes are:

- an increase in the personal exemption from $750 to $1,000;
- a reduction in tax rates in lower and middle income tax brackets;
- an increase in the low-income allowance from $2,100 to $2,500 for joint returns and from $1,700 to $1,800 for single persons; and
- elimination of the $35 per capita credit, the optional taxable income credit, and the earned income credit, all retroactive to January 1, 1977 (under current law these credits are all scheduled to expire December 31, 1977).

The major provisions of the President's corporation income tax reduction proposals are:

- permanent extension of the temporary rate reductions—from 22% to 20% on the first $25,000 of income and from 48% to 22% on the second $25,000—that are scheduled to expire December 31, 1977; and
- a 2-percentage-point rate reduction—from 48% to 46%—on corporation income in excess of $50,000.

In addition to these income tax reduction proposals, the President is proposing a number of other changes affecting income tax receipts. The President is repeating his proposal for integration of the corporation and individual income taxes. Under the current system of taxation, income earned by corporations is taxed twice: first when it is earned by the corporation and again when it is distributed to the shareholder as a dividend. Under the administration's proposal, this double taxation would be eliminated in six successive annual phases, beginning in January 1978, by a corporate deduction against income for dividend distributions, and by a credit to shareholders to compensate for corporation income taxes that have already been paid.

[4] The receipt estimates assume the withholding rates are reduced at the beginning of March 1977 to reflect the proposed tax reductions. Because the reduced tax liability in the first 2 months of calendar year 1977 will not be matched by lower withheld taxes, receipts in the spring of calendar year 1978 will be lowered by higher refunds and lower final settlements. It is this feature of the proposals that causes the larger reduction in receipts in 1978 than in 1979.

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The President is again proposing to stimulate employment in areas of particularly high unemployment (7% or greater) through a tax incentive to encourage construction of new (or expansion of old) facilities in these areas. This would be accomplished by allowing very rapid amortization when a project in one of these areas is begun during calendar year 1977 and completed within 36 months.

The Tax Reform Act of 1976 authorized employee stock ownership plans (ESOPs) funded through a special investment tax credit, to encourage employee ownership of employer stock. The administration opposes this credit, however, because it is inequitable. It applies only to the stock that employees own in the firm that employs them, and benefits only certain corporate employees in proportion to their compensation. These provisions may also lead workers to depend upon the fortunes of a single firm for their income security during retirement years rather than upon more diversified assets. Moreover, because this provision is linked to the investment credit, it favors employees of corporations that make large investments in equipment. The President's corporate tax proposals—particularly the elimination of double taxation of dividends—would create incentives for stock ownership on a more equitable basis. Accordingly, repeal of the ESOP provision of the Tax Reform Act is proposed.

The Tax Reform Act added itemized deductions (other than medical and casualty deductions) in excess of 60% of adjusted gross income to the tax base to which the minimum tax of 15% applies. Legislation is proposed to exclude charitable contributions from this tax base to remove the disincentive to charitable giving.

Also proposed is a 15% credit for the cost of energy-saving home improvements such as storm windows and insulation. This credit would apply for 3 years to the first $1,000 of such expenditures over the period.

A taxable municipal bond option with a 30% subsidy is proposed to improve the efficiency of the municipal market. The proposal would also remove the tax exemption from municipal bonds for industrial development purposes and those issued with a Federal guarantee or other Federal subsidy. Industrial development bonds, including pollution control bonds, currently eligible for tax exemption, would be required to be issued in taxable form with a 20% subsidy.

Finally, a revision of the tax code is proposed to allow certain expenditures for the discovery of geothermal energy resources to be treated as current expenses like private research and development outlays.

Income tax changes effective after 1979.—There are also two income tax proposals that do not affect receipts in 1977 to 1979, but that reduce estimated receipts in the longer range estimates shown in Part 3. In the absence of legislated tax reductions, the effective rate

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on personal income rises over time as inflation and real growth move taxpayers into higher tax brackets. The President has therefore proposed that tax adjustments be enacted to hold this rate constant from calendar year 1979 to 1982. Even with this proposal the effective tax rate would be significantly higher during 1979–82 than in 1977, because of a rise in the effective rate from 1977 to 1979. The table entitled "Budget Margins 1977–82" in Part 2 provides information on the cost of still further adjustments to return the effective tax rate to the 1977 level and on the budget margins available for doing this.

Permanent extension of the investment credit at 10% (it is scheduled to return to 7% (4% for utilities) on January 1, 1981) is also proposed.

Other tax changes.—The President is again proposing increases in the social security (and railroad retirement) tax rates. Under current law the social security tax rate will increase from 11.7% to 12.1% in January 1978. The President is proposing a further 0.2 percentage point increase at that time. He is also proposing further increases in the tax rate to 12.9% in January 1979 and to 13.2% in January 1980. The 0.5 percentage point increase scheduled under current law to occur in January 1981 would increase this rate to 13.7%. These increases, which would raise receipts by $1.3 billion in 1978 and $6.4 billion in 1979, are needed to place the social security trust fund on a sound financial basis. Under current law, the social security system could, if current trends continue, use up the trust funds' resources by 1982. Legislation is also proposed to require employers to pay social security taxes on employee income derived from tips. Currently, only employees pay such taxes.

Also proposed is a reduction from 4% to 2% in the excise tax that private foundations pay on their net investment income. This tax was designed to produce sufficient revenue to cover the cost of auditing all tax-exempt organizations; a 2% rate is deemed sufficient for that purpose.

Three changes affecting miscellaneous receipts are being proposed again. They are: the write-off of discontinued currencies, mostly silver certificates, that have been determined to have been destroyed or irretrievably lost; authorization for the Nuclear Regulatory Commission to collect fees to cover the costs of its licensing services, including its reactor safety research program; and authorization to require navigators of Federal waterways, canals, locks, and channels to pay user fees to help defray the costs of waterways. Also, the longer range estimates in Part 3 assume that the 4-cent-per-gallon gasoline tax is extended beyond its current expiration date of September 30, 1979, and that the airport and airway taxes are extended beyond their current expiration date of June 30, 1980.

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The following table shows the effect of the President's proposals on receipts for 1977 through 1979. The effect is shown both in comparison to present law and to extension of the temporary provisions of the Tax Reform Act of 1976.

EFFECT ON PROPOSED LEGISLATION ON RECEIPTS

[In billions of dollars]

	1977	1978	1979
Individual income tax proposals:			
Individual income tax reductions	−6.0	−19.0	−22.1
Home insulation credit	-------	−.2	−.2
Exclusion of charitable contributions from minimum tax	-------	−.1	−.1
Integration of individual and corporation income taxes	-------	-------	−.1
Other	−*	−*	−*
Subtotal, individual income tax proposals	−6.0	−19.2	−22.5
Corporation income tax proposals:			
Corporation income tax reductions	−1.1	−3.6	−5.2
Integration of individual and corporation income taxes	-------	−1.1	−3.0
Accelerated depreciation in high unemployment areas [1]	−*	−.2	−.4
Repeal of ESOP	.1	.3	.3
Expensing of geothermal discovery costs	-------	*	*
Subtotal, corporation income tax proposals	−1.1	−4.7	−8.3
Social security (and railroad retirement) tax proposals:			
January 1978 rate increase (from 12.1% to 12.3%)	-------	1.3	2.2
January 1979 rate increase (from 12.3% to 12.9%)	-------	-------	4.2
Employer tax on tips	-------	.1	.1
Subtotal, social security tax proposals	-------	1.3	6.4
Other:			
Write-off of silver certificates	.2	-------	-------
Other	-------	.1	.1
Subtotal, other	.2	.1	.1
Total proposed changes	−6.9	−22.5	−24.3
ADDENDUM			
Effect of proposed changes in comparison to extension of temporary income tax reductions:			
Individual income taxes	−6.0	−12.4	−11.2
Corporation income taxes	−1.1	−3.6	−5.9
Other	.2	1.4	6.6
Total	−6.9	−14.6	−10.6

*Less than $50 million.

[1] This provision also applies to individuals and therefore also directly reduces individual income taxes. This effect is included in the "other" line for individual income taxes.

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CHANGES IN BUDGET RECEIPTS

Budget receipts are estimated to rise by $54.0 billion in 1977, $39.0 billion in 1978, and $61.3 billion in 1979. The year-to-year changes can be divided between those due to growth in the tax base and those due to revisions in the tax structure. Under the tax rates and structure in effect on January 1, 1975 (i.e., before the enacted tax changes described earlier), receipts would have risen by $59.8 billion in 1977, $41.2 billion in 1978, and $49.4 billion in 1979. Thus, the combined effect

CHANGES IN BUDGET RECEIPTS

[In billions of dollars]

	1976	TQ	1977	1978	1979
Receipts under tax rates and structure in effect Jan. 1, 1975 [1]	**314.1**	**84.7**	**373.9**	**415.1**	**464.5**
Temporary increase in import fee on petroleum products by administrative action	+1.7	-------	-------	-------	-------
Enacted legislative changes:					
Social security taxable earnings base increases:					
$14,100 to $15,300, effective Jan. 1, 1976	+.2	+.6	+2.4	+2.9	+3.4
$15,300 to $16,500, effective Jan. 1, 1977	-------	-------	+.8	+2.4	+2.9
$16,500 to $17,700, effective Jan. 1, 1978 [2]	-------	-------	-------	+.8	+2.5
$17,700 to $19,200, effective Jan. 1, 1979	-------	-------	-------	-------	+1.0
Social security tax rate increase from 11.7% to 12.1% effective Jan. 1, 1978 [2]	-------	-------	-------	+2.5	+4.8
Unemployment tax rate and base increases	-------	-------	+.3	+1.4	+3.9
Tax Reduction Act of 1975 [1]	−9.9	−.2	+.4	+2.8	+3.2
Revenue Adjustment Act of 1975	−6.0	−.5	−1.3	-------	-------
Tax Reform Act of 1976 [3]	-------	−2.8	−15.3	−11.9	−7.1
Reduction in telephone excise tax	−.1	−.1	−.4	−.7	−1.0
Increase in SMI (medicare) premium	-------	+.*	+.2	+.3	+.5
Total, receipts under existing legislation	300.0	81.8	360.9	415.5	478.6
Extension of temporary provisions of Tax Reform Act:					
Individual income tax	-------	-------	-------	−6.8	−11.3
Corporation income tax	-------	-------	-------	−1.0	−2.4
Tax proposals in comparison to extension of temporary provisions of Tax Reform Act:					
Individual income tax	-------	-------	−6.0	−12.4	−11.2
Corporation income tax	-------	-------	−1.1	−3.6	−5.9
Social security (and RRR) increases	-------	-------	-------	+1.3	+6.4
Other	-------	-------	+.2	+.1	+.1
Total, receipts under existing and proposed legislation	**300.0**	**81.8**	**354.0**	**393.0**	**454.4**

*Less than $50 million.

[1] Although some of the provisions of the Tax Reduction Act of 1975 were retroactive to Jan. 1, 1975, the act was not passed until March 1975. Thus, the effects of this act are included in the line for enacted legislative changes.

[2] The effect of the taxable earnings base increase is calculated using a tax rate of 11.7%. The effect of the tax rate increase is calculated using a taxable earnings base of $17,700.

[3] Includes the effect of interim legislation that extended individual income tax withholding rates from July 1, 1976, to October 4, 1976. The figures do not include the effect of extension of the temporary provisions of this act. That effect is shown below.

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of enacted and proposed tax law changes, which are shown in the accompanying table, reduces the growth in receipts by $5.8 billion in 1977 and $2.2 billion in 1978. In 1979, these changes increase the growth in receipts by $12.0 billion.

RECEIPTS BY SOURCE

Individual income taxes.—Individual income tax receipts are estimated at $153.1 billion in 1977, $171.2 billion in 1978, and $205.3 billion in 1979. As discussed earlier, proposed tax law changes reduce receipts from this source by $6.0 billion in 1977, $19.2 billion in 1978, and $22.5 billion in 1979. In comparison to the individual income tax receipts that would result from extending the temporary provisions of the Tax Reform Act, the proposals reduce receipts by $6.0 billion in 1977, $12.4 billion in 1978, and $11.2 billion in 1979.

Corporation income taxes.—Corporation income tax receipts are estimated at $56.6 billion in 1977, $58.9 billion in 1978, and $63.7 billion in 1979. Proposed tax law changes reduce these receipts by $1.1 billion in 1977, $4.7 billion in 1978, and $8.3 billion in 1979. In comparison to extension of the temporary tax reductions, the proposals reduce corporation income taxes by $1.1 billion in 1977, $3.6 billion in 1978, and by $5.9 billion in 1979.

Social insurance taxes and contributions.—Included in this category are social security and railroad retirement taxes, unemployment insurance taxes and deposits of State unemployment tax receipts, Federal employee retirement contributions, and premium payments for supplementary medical insurance.

Receipts from this source are expected to total $108.9 billion in 1977, $126.1 billion in 1978, and $146.2 billion in 1979. Proposed legislation adds $1.3 billion to these receipts in 1978 and $6.4 billion in 1979.

These receipt figures also reflect an increase in the social security tax rate from 11.7% to 12.1% effective January 1, 1978, as scheduled under current law, an increase in the taxable earnings base from $15,300 to $16,500 that became effective January 1, 1977, and anticipated increases in this base to $17,700 effective January 1, 1978, and to $19,200 effective January 1, 1979, due to the operation of the automatic adjustment mechanism. These estimates also reflect the Unemployment Compensation Amendments of 1976, which increased the Federal unemployment insurance tax rate (from 0.5% to 0.7%) effective January 1, 1977, and tax base (from $4,200 to $6,000) effective January 1, 1978. The estimates also anticipate higher State deposits of unemployment taxes as States repay borrowings from the Federal Government and replenish their balances in the unemployment trust fund.

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Excise taxes.—Excise taxes are levied on a variety of products, services, and activities. Receipts from these taxes are estimated at $17.9 billion in 1977, $18.5 billion in 1978, and $19.1 billion in 1979. Excise tax receipts reflect the continued phasing out of the telephone excise tax. Under current law, this tax rate was reduced from 6% to 5% on January 1, 1977, and will be reduced to 4% on January 1, 1978, and to 3% on January 1, 1979.

Other receipts.—Estate and gift taxes, customs, and miscellaneous receipts are estimated to total $17.5 billion in 1977, $18.3 billion in 1978, and $20.1 billion in 1979. The miscellaneous receipt estimates reflect proposed legislation discussed earlier.

In addition to budget receipts, the Government receives significant proprietary income from the public. This income is derived from various market-oriented activities—such as rents, royalties, and the sale of Government property, products, and services (including timber and veterans life insurance). Since this income arises from business-type transactions rather than from taxation, it is treated as an offset to related outlays and budget authority rather than as budget receipts. Proprietary receipts from the public are shown in detail in table 13 in Part 9.

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PART 5

THE FEDERAL PROGRAM BY FUNCTION

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INTRODUCTION

This section discusses budget outlays in terms of the major functions or purposes being served. The functional structure groups the budget authority and outlays of budget accounts and off-budget Federal entities as well as tax expenditures into *relatively* homogeneous categories to facilitate understanding and analysis of the budget. To the extent feasible, these groupings are made without regard to agency or organizational lines. They are the categories used by the Congress in developing concurrent resolutions on the budget. Part 7 of this budget document discusses the criteria underlying the functional classification.

Federal activities are classified in one, and only one, function. Because many activities serve more than one purpose, it is often necessary to make judgments as to their single most important purpose. Consequently, the total in a function is not a complete measure of all Federal activity serving that purpose. For example, outlays for medical care of military personnel are included in the national defense function as part of the cost of maintaining a national military establishment, even though such outlays clearly contribute to health and, therefore, could legitimately be included in a broadly defined health function.

Some important ways of classifying Federal activities are not explicitly identified in the functional classification structure. For example, there is no separate function for housing programs. While all housing programs may be seen as having the common purpose of promoting good housing, this purpose is subordinated in the present functional classification to such other purposes as community and regional development, income support, aid to business, national defense, and veterans benefits and services.

Despite its limitations and the need for periodic reviews and changes where appropriate, the functional classification has proven to be a useful structure for the presentation of the Federal program for three decades.[1]

Functional data appear in several other places in this and other budget documents. The budget accounts listing (BAL) in Part 8 presents budget authority and outlays by agency and appropriation account and includes an identification number indicating the functional classification of each budget account. Tables 14 and 15 in Part 9 show

[1] This year, one relatively minor change has been made in the functional structure. This change is discussed in the general science, space, and technology function.

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budget authority and outlays by function, subfunction, and agency. This information permits the functional and subfunctional totals discussed in this section and in other parts of the budget to be cross-referenced to agency and account data in the BAL and the budget appendix. Table 19 provides data on budget outlays by function and subfunction for the years 1969 through 1979. Historical data on budget outlays by function for the years 1940 through 1979 and by subfunction for the years 1962 through 1979 are available upon request from the Office of Management and Budget. In addition, Special Analysis F of the budget shows tax expenditure data by function.

While budget outlays have been presented on a functional basis since 1948, this classification has taken on new importance with enactment of the Congressional Budget Act of 1974 (Public Law 93–344). Under terms of this act, the Congress is now required to adopt at least two concurrent resolutions on the budget each year. The first resolution is to provide targets, by major function, for the authorization and appropriation actions that take place in the Congress after the first resolution. The Second Concurrent Resolution, which is intended to take place after completion of the authorization and appropriation process, adjusts the overall budget authority and outlay targets of the first resolution and converts them into firm ceilings, and includes any directions to congressional committees necessary to meet these ceilings. As a result, the functional structure is now being used as a basis for congressional budget control as well as a means of displaying budget information.

There are a number of different ways that budget outlays can be displayed in order to provide a broad perspective on Federal spending trends. The chart on the next page provides one such perspective: It shows budget outlays by major aggregations adjusted for changes in price levels.

This permits a better understanding of outlay trends in real terms. As the chart shows, defense outlays in real terms more than tripled from the peacetime 1950 level to the Korean war peak; after the post-war decline, they remained relatively flat for most of the post-Korean years, then peaked in the Vietnam period. Between 1968 and 1976 real defense spending declined to levels below the pre-Vietnam average. This decline was reversed by a 1976 Presidential initiative to begin a steady increase in defense programs. This resulted in higher real defense outlays in 1977; the increase is accelerated in 1978 and is projected to continue through 1982. By way of contrast, Federal payments that go for income support of individuals and aid to State and local governments have risen steadily over most of the period since 1950; they are projected to decline slightly in real terms in 1978 reflecting the expiration of some temporary antirecession spending and proposed expenditure restraints. At the start of this period, such payments were

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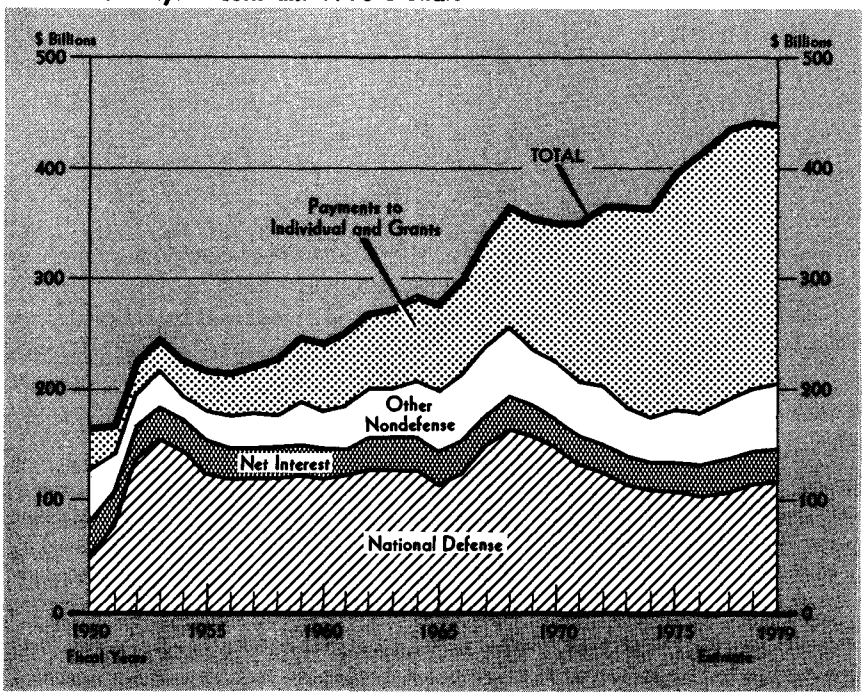
Federal Outlays—Constant 1978 Dollars



equal to less than one-fourth of Federal spending; they are now well over half of the total.

A second way of looking at broad trends is to group the functional totals into broader categories and compare them to our total economic output (GNP). As the table on the following page indicates, there has been a substantial decrease in defense spending as a percentage of GNP between 1971 and 1976. Total outlays of the Federal Government as a percent of GNP decreased from 1971 to 1974 and increased again during the period 1975 to 1977. The increase during the latter period was largely due to the recession—temporary increases in spending in response to higher unemployment rates and a shortfall in actual GNP relative to potential.

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OUTLAY TRENDS, 1971–79

	1971	1972	1973	1974	1975	1976	1977 est.	1978 est.	1979 est.
OUTLAYS (in billions of dollars)									
National defense	**76.8**	**77.4**	**75.1**	**78.6**	**86.6**	**90.0**	**100.1**	**112.3**	**123.8**
Nondefense:									
Human resources	89.0	103.8	115.7	131.5	168.1	197.5	216.9	224.7	235.6
Net interest	14.8	15.5	17.4	21.5	23.3	26.8	29.8	31.1	32.7
All other	30.8	35.4	38.9	38.1	48.1	52.2	64.5	71.9	73.8
Total nondefense	**134.6**	**154.7**	**172.0**	**191.1**	**239.5**	**276.5**	**311.2**	**327.7**	**342.2**
Total budget outlays	**211.4**	**232.0**	**247.1**	**269.6**	**326.1**	**366.5**	**411.2**	**440.0**	**466.0**
Outlays, off-budget Federal entities	(_____)	(____)	*(.1)*	*(1.4)*	*(8.0)*	*(7.2)*	*(10.8)*	*(9.2)*	*(10.9)*
Outlays including off-budget Federal entities	*(211.4)*	*(232.0)*	*(247.1)*	*(271.1)*	*(334.1)*	*(373.7)*	*(422.0)*	*(449.1)*	*(476.9)*
OUTLAYS AS A PERCENT OF GROSS NATIONAL PRODUCT (GNP)									
National defense	**7.5**	**7.0**	**6.1**	**5.8**	**6.0**	**5.6**	**5.5**	**5.5**	**5.5**
Nondefense:									
Human resources	8.7	9.3	9.3	9.7	11.6	12.3	11.9	11.0	10.4
Net interest	1.5	1.4	1.4	1.6	1.6	1.7	1.6	1.5	1.4
All other	3.0	3.2	3.1	2.8	3.3	3.2	3.5	3.5	3.3
Total nondefense	**13.2**	**13.9**	**13.9**	**14.0**	**16.5**	**17.2**	**17.0**	**16.1**	**15.1**
Total budget outlays	**20.7**	**20.9**	**20.0**	**19.8**	**22.5**	**22.8**	**22.5**	**21.6**	**20.5**
Outlays, off-budget Federal entities	(_____)	(_____)	(*)	*(.1)*	*(.6)*	(.4)	(.6)	(.4)	(.5)
Outlays including off-budget Federal entities	*(20.7)*	*(20.9)*	*(20.0)*	*(19.9)*	*(23.0)*	*(23.2)*	*(23.1)*	*(22.0)*	*(21.0)*

*0.05% or less.

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NATIONAL DEFENSE

The national defense function includes the military programs of the Department of Defense, military assistance to foreign governments, the military-related nuclear activities of the Energy Research and Development Administration, and the defense-related activities of other civilian agencies.

Budget Proposals

- Continue a steady and sustained strengthening of U.S. military capabilities to ensure our Nation's security.
- Initiate full-scale development of a new intercontinental ballistic missile and continue to modernize each component of the strategic forces to maintain the nuclear balance and deterrence.
- Improve the readiness and sustainability of the general purpose forces, which contribute to deterrence, by additional increases in equipment and supplies for land forces, tactical air forces, and airlift forces.
- Increase the capability of general purpose forces to respond rapidly in the case of a European conflict.
- Accelerate the rebuilding of the fleet and emphasize construction of smaller carriers and larger numbers of combat ships, including destroyers and frigates.
- Encourage cooperative military arrangements with allies and friends, including standardization of equipment and joint training, and the strengthening of allied capabilities.
- Increase research and development efforts to ensure defense capabilities in the decade ahead.
- Update the stockpile of critical and strategic materials to provide for wartime requirements of vital raw materials in the event of a disruption in normal overseas supplies.
- Conduct a study to determine the number and type of domestic military installations required. A partial construction moratorium is proposed in 1978 pending the results of this review.

The 1978 and 1979 defense programs and the projections through 1982 reflect the results of a major Presidential review of U.S. national defense policy and military programs. The review addressed policy affecting both strategic and general purpose forces in the future.

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As a consequence of his defense policy review, the President recommends continuation of the growth in defense effort initiated in 1976. Sustained growth over a period of years is essential to fulfill the requirements of U.S. military policy and ensure American military strength relative to that of the Soviet Union in the decade ahead.

A major determinant of U.S. defense policy is the challenge to American security and to peace and stability in the world posed by the expanding, worldwide military capabilities of the Soviet Union and its allies. Over the past decade the Soviet Union maintained a high rate of growth in defense spending. As a result of this sustained effort, the Soviets have modernized every major component of their forces including intercontinental and submarine-launched nuclear missiles, land-based intermediate range missiles, and ground and air combat equipment. Soviet naval power has been increased dramatically. During most of this same period, U.S. defense budgets declined in real terms and the rate of modernization slowed, setting in motion trends that are adverse to U.S. interests. Commencing in 1976, however, U.S. defense programs have increased in real terms.

The United States and its allies are prepared to counterbalance increases in the capabilities of the Soviet Union and its allies and to meet other challenges. However, this Nation prefers to settle international differences through negotiations and to maintain worldwide stability and relationships by treaty and by other forms of understanding. There have been some successes, one of the most important being the Vladivostok accord. These steps may eventually contribute to lower levels of tension. Such agreements, however, can be achieved only if the United States and its allies are able to negotiate from a position of strength. While the United States and its allies continue to negotiate with the Soviet Union and its allies, actual capabilities must be maintained.

During the past year, the President also directed a comprehensive study of U.S. maritime strategy and naval force requirements. This review resulted in a decision to accelerate modernization of the fleet, building toward a level of about 600 active ships by the 1990's. In the context of this review he decided not to build more Nimitz-class large attack carriers, but to place emphasis on smaller carriers and a larger number of smaller combat ships. The budget, accordingly, requests the first of a new class of smaller aircraft carriers in 1979 to become operational by the mid-1980's and be equipped with vertical or short takeoff and landing (V/STOL) aircraft and helicopters. In addition, the 5-year shipbuilding program, which begins with 25 ships in 1978, will include greater numbers of combat ships, including guided missile destroyers and guided missile escorts as well as combat support ships.

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Department of Defense.—The fundamental goal of the military program of the Department of Defense is to protect the United States from external attack or threat of attack.

NATIONAL DEFENSE [1]

[In millions of dollars]

Program or agency	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
Department of Defense—Military:					
Military personnel	26,193	25,064	26,212	26,005	26,235
Retired military personnel	9,036	7,296	8,234	9,035	9,704
Operation and maintenance	34,168	27,902	31,146	33,539	35,242
Procurement	35,143	15,964	18,710	23,786	28,840
Research, development, test and evaluation	11,980	8,923	9,993	11,350	12,478
Military construction	1,376	2,019	2,087	2,046	1,951
Family housing	1,329	1,192	1,442	1,518	1,533
Revolving and management funds and other	95	−322	226	−71	−14
Allowances for:					
Civilian and military pay raises:					
Existing legislation	2,493	.....	.....	2,417	5,079
Proposed legislation	−167	.....	.....	−160	−397
Other legislation:					
Military personnel	56	.....	.....	56	55
Retired military personnel	32	.....	.....	32	119
Operations and maintenance	−30	.....	.....	−30	−30
Subtotal, military	121,704	88,036	98,050	109,523	120,795
Military assistance:					
Military sales trust fund	−1,884	−600	−465	.....	.....
Other military assistance	666	1,101	715	577	494
Subtotal, military assistance	−1,218	501	250	577	494
Subtotal, military and military assistance	120,486	88,537	98,300	110,100	121,288
Atomic energy defense activities	2,380	1,565	1,829	2,162	2,459
Defense-related activities:					
Existing law	236	−103	−52	232	308
Proposed legislation	−229	.....	.....	−229	−256
Subtotal, defense-related	7	−103	−52	3	52
Deductions for offsetting receipts	−3	−3	−3	−3	−3
Total, national defense	**122,871**	**89,996**	**100,075**	**112,262**	**123,798**

[1] Information on budget authority for 1976, 1977, and 1979, and data for the transition quarter are shown in Tables 14 and 15 of Part 9.

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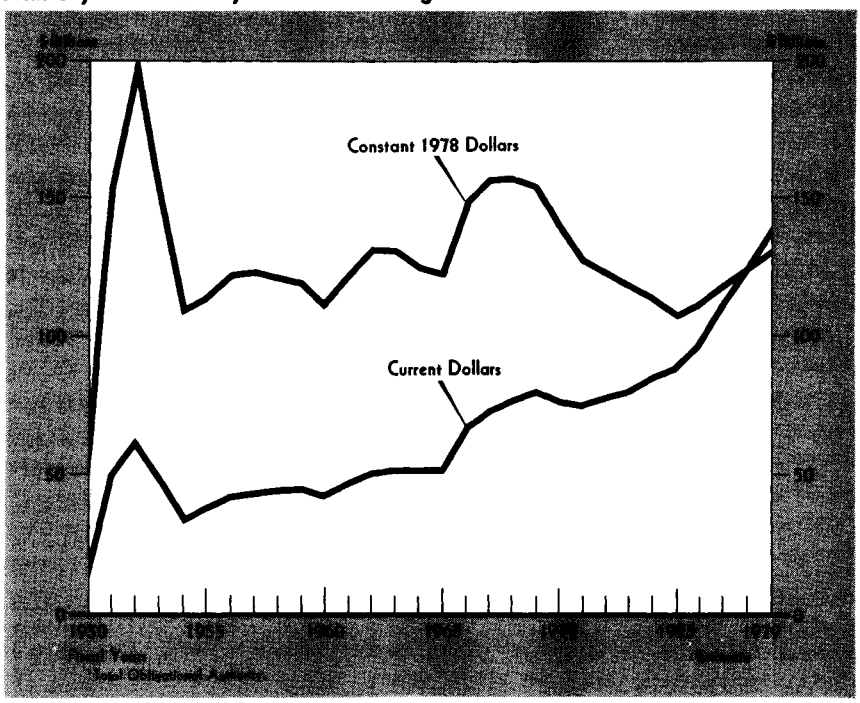
Military and Military Assistance Programs[1]



The accompanying chart depicts Department of Defense resources in terms of total obligational authority (TOA), which is current budget authority enacted annually by the Congress, plus unspent funding authority approved in previous years that has been transferred forward for use until spent. This chart illustrates the reversal in 1976 of the 7-year decline in Department of Defense budget resources, measured in dollars of constant 1978 purchasing power, for both military functions and military assistance. Real defense purchasing power is projected to continue increasing through the next 5 years.

To accomplish the improvements proposed for 1978, within recommended budget levels, additional efficiencies will be required in the defense establishment. Initiatives are proposed in personnel-related costs and support activities that are marginal to our defense capabilities. These would:

- eliminate dual compensation of Federal employees on active duty for training with the National Guard and Reserve;
- reduce the disparity between the value of housing received by occupants of Government quarters and the allowance they forfeit as implicit rent;

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- reform the mechanism for setting blue-collar pay;
- reduce energy consumption throughout the services by the use of training aids and simulators;
- reduce permanent change-of-station travel; and
- reduce the senior officer grade structure and lower the ratio of officers to enlisted personnel.

Some of these actions can be put into force by administrative action; others require congressional approval.

The accompanying table summarizes the TOA for the Department of Defense military functions and military assistance on the basis of major missions. These mission categories group budget funds in ways that relate to the broad tasks that must be performed.

SUMMARY OF THE DEPARTMENT OF DEFENSE BUDGET PROGRAM [1]

[In billions of dollars]

Major military programs	Total obligational authority				
	1976 actual	TQ actual	1977 estimate	1978 estimate	1979 estimate
Strategic forces	7.3	1.8	9.8	11.0	11.9
General purpose forces	33.0	6.8	38.2	44.3	50.4
Intelligence and communications	6.7	1.6	7.5	8.2	9.0
Airlift and sealift	1.4	.3	1.5	1.7	1.6
Guard and Reserve	5.4	1.3	6.0	7.2	7.2
Research and development [2]	8.7	2.2	10.1	11.1	12.1
Central supply and maintenance	9.8	2.5	11.1	11.8	12.6
Training, medical, and other general personnel activities	21.6	5.4	22.7	24.3	26.7
Administration and associated activities	2.1	.5	2.1	2.3	2.6
Support of other nations [1]	1.6	.1	1.3	1.3	1.3
Total obligational authority	**97.5**	**22.5**	**110.2**	**123.1**	**135.4**
Prior-year funds and other financial adjustments	4.7	−.8	−3.6	−2.6	−2.3
Total budget authority	**102.2**	**21.7**	**106.6**	**120.5**	**133.1**

[1] Includes grant military assistance and foreign military sales programs.
[2] Excludes R. & D. in other program areas on systems approved for production.

Strategic forces.—Forces in this category are designed to deter nuclear attack against the United States or its allies. Deterrence requires forces that can respond as needed to all levels of attack. It also requires research and development capable of countering Soviet initiatives that could change the strategic balance.

The proposed strategic program of $11.0 billion in TOA for 1978 would provide for continued modernization of each strategic force

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component—land-based missiles, submarine-based missiles, and aircraft. Major programs, including those funded under research and development, are:

- continued procurement of the B–1 aircraft to provide the capability to penetrate improving Soviet air defenses;
- procurement of Trident submarines and ballistic missiles to provide a longer range and less vulnerable sea-based nuclear deterrent;
- full-scale development for the mid-1980's of the M–X intercontinental ballistic missile that will be able to survive a nuclear attack and retaliate effectively;
- full-scale development of cruise missile systems for possible air, land, or sea deployment;
- continued research and development on ballistic missile defense systems as a hedge against the possible need for deployment of these systems should existing treaties be abrogated; and
- improvements in strategic command, control, and communications systems.

General purpose forces.—The role of these forces is to deter or counter aggression short of strategic nuclear conflict. Because of nuclear equivalence, military power—using conventional weapons—has become more important as an instrument of international politics. This adds to the burden of deterrence on U.S. general purpose forces.

In 1978 $44.3 billion in TOA is recommended. This would increase the capacity of general purpose forces to fight a high-intensity war and to respond rapidly in the case of a European conflict.

Additional funds are requested to raise the levels of operating supplies and equipment and to improve equipment maintenance. The level of funds requested would ensure increases in the immediate combat readiness and capability of these forces.

Procurement of proposed new weapon systems would allow us to equip U.S. forces with modern and effective weapons for the 1980's. The Army plans to continue to develop the XM–1 main battle tank, which incorporates major advances in tank technology and represents a significant improvement over the tanks currently in use. Procurement of improved transport helicopters and a mechanized infantry combat vehicle is expected to begin in 1978, along with continued large-scale production of modern antitank and antiaircraft missiles.

The Air Force is scheduled to fully equip the current force structure of 26 fighter-attack wings with modern aircraft by the early 1980's. The F–15, designed to be the world's most effective air superiority fighter, will continue to enter the force structure in 1978. The budget

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provides for initial production in 1978 of the F–16, a high-performance fighter that can serve in either ground attack or air combat roles.

The F–16 fighter will also be produced for 4 NATO countries, thereby providing cost advantages for all the participating nations as well as a significant degree of standardization within NATO forces. Other initiatives toward greater standardization of equipment with NATO include recent agreements to adopt the Roland field army defense missile and a significant number of components for the next generation of main battle tanks. Other accomplishments include a multinational standardization group within NATO and adoption of jet fuel standards.

During 1976, the National Security Council reviewed U.S. maritime strategy and naval force requirements for the 1980's and 1990's. This review indicated that an active fleet of about 600 ships is required to carry out the Navy's role of ensuring the wartime control of vital sea lanes and protecting peacetime maritime commerce.

The proposed plan for achieving this force level calls for construction of 157 ships in fiscal years 1978 through 1982 at a cost of $48 billion. The mix of ships now proposed represents a change from earlier plans. Specifically, fewer high-cost combat ships are proposed in favor of a larger number of lower cost ships. The budget proposes no funds to build additional large Nimitz-class aircraft carriers. This represents a change in the decision reflected in the 1977 budget amendment submitted last spring. The Administration's budget projections for defense include 2 aircraft carriers—one in 1979 and one later—that will be conventionally powered, smaller, and less expensive than the nuclear powered Nimitz-class carrier.

The Navy shipbuilding plan calls for introducing the Aegis air defense system into the fleet aboard a new conventionally powered destroyer rather than by conversion of the existing nuclear powered cruiser, U.S.S. Long Beach. Construction of the first nuclear powered strike cruiser, which would also carry the Aegis system, is proposed for 1979.

In addition, the budget provides for procurement of a large number of relatively small combat ships to provide an extensive escort capability for replenishment convoys and other missions. Procurement of a variety of mine warfare and support ships is planned to replace the older ships in the fleet.

Advance procurement funds are also proposed in the 1978 defense budget for the new F–18 carrier-based fighter, a versatile aircraft that would provide the fleet with better air combat and ground attack capability in the 1980's.

Intelligence and communications.—Intelligence programs should provide decisionmakers with timely information on international

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events and analyses of foreign military capabilities and intentions. The United States must know the policies and intentions of foreign nations that pose a threat to international peace and stability. The 1978 intelligence program reflects the recommendations of the Committee on Foreign Intelligence, established under Executive Order 11905, signed February 18, 1976. This Committee, consisting of the Director of Central Intelligence (as Chairman), the Deputy Secretary of Defense for Intelligence, and the Deputy Assistant to the President for National Security Affairs, is responsible for review of the national foreign intelligence program prior to submission to the President.

Airlift and sealift forces.—Effective strategic mobility is required to enable U.S. forces to respond on short notice to threats against U.S. interests throughout the world, to assist nations whose security is important to the welfare of the United States, and to sustain American forces abroad. Proposed increases for strategic transportation would enable more U.S. forces to be deployed and supplied in the critical early days of an intense conflict overseas. To achieve these objectives, total obligational authority of $1. 7 billion is being requested for 1978.

Modifications are proposed for C–5 and C–141 transport aircraft. These would improve their capacity and extend their service life. Development of an advanced medium short takeoff and landing tactical cargo aircraft is being continued, and the first procurement of an advanced tanker/cargo aircraft is scheduled for 1978.

Guard and Reserve.—The Guard and Reserve provide our primary source of immediate augmentation for the Active Forces. Emphasis continues on assigning Reserve forces to high priority missions, while simultaneously upgrading equipment and integrating Reserve units more closely with their active force counterparts. Guard and Reserve forces have been adjusted to allow more of these units to readily augment active forces during the early phases of mobilization.

After a temporary decline in personnel strength, the Reserve forces are expected to increase during 1978. The budget provides for an expanded recruiting program to aid in reaching planned strength. Proposed equipment modernization during this period includes introduction of the antitank guided missile system to the ground forces and the replacement of outdated aircraft with A–7 attack aircraft and KC–135 tankers.

Research and development.—To maintain technological superiority and to increase the capability of strategic and general purpose forces, it is recommended that TOA for defense research and development increase from $10.1 billion in 1977 to $11.1 billion in 1978.

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In support of strategic forces, full-scale development of the M–X intercontinental ballistic missile is scheduled to begin in 1978, permitting deployment of this missile by late 1984. Major development and engineering will continue on cruise missiles, with procurement of air- and sea-launched versions planned in 1979. Development work will also continue on the B–1 strategic bomber, the Trident submarine systems, on antiballistic missile defenses, and on space defense systems.

The budget includes proposals for substantial increases in tactical systems development in 1978. Army development of the Patriot (SAM–D) air-defense system, the XM–1 tank, and an advanced attack helicopter will continue. The Navy and Marine Corps plan to obtain a new generation of fighter and attack aircraft through further development of the F–18 air combat fighter. An improved Harrier vertical or short takeoff and landing (V/STOL) aircraft for the Marine Corps is planned, as are efforts in cooperation with NASA to develop advanced V/STOL designs for fleet use in the late 1980's. Antisubmarine warfare capabilities would also be improved through continued development of a new antisubmarine warfare helicopter, sonars, new mines, and continued research on advanced sensors.

To maintain superiority in tactical air forces, the budget proposes continued development of the F–16 air combat fighter and improvements to the airborne warning and control system (AWACS).

The Army, Navy, and Air Force all plan to continue development and use of simulators to improve the quality of training and reduce energy consumption. These include a tank training simulator for the Army; improved simulation devices for carrier landing, sonar operations, and firefighting; and maintenance training for the Navy.

Training, medical, and other general personnel support activities.—As shown in the accompanying table, compensation and other personnel-related costs represent 55% of the total defense program. Some personnel related outlays are difficult to control without basic changes in law or policy.

The third Quadrennial Review of Military Compensation constituted a comprehensive, 2-year review of military pay in 1975 and 1976. The President has decided a blue ribbon panel is required to examine the studies and analyses of the third Quadrennial Review of Military Compensation and to make recommendations on future military compensation policy, including both pay and benefits, by mid-1977.

The Department of Defense budget presently contains appropriations to finance the full annual costs of military retirees and their survivors. The Administration is proposing to change the manner in which the Department of Defense will budget for military retirement

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PERSONNEL-RELATED OUTLAYS AS A SHARE OF DEPARTMENT OF DEFENSE BUDGET [1]

[In billions of dollars]

	1964 actual	1968 actual	1974 actual	1975 actual	1976 actual	1977 est.	1978 est.
Personnel outlays:							
Military pay	10.6	15.3	21.0	21.6	21.9	22.6	23.9
Other military personnel outlays	2.4	4.6	2.7	3.4	3.2	3.6	3.5
Civilian pay	7.6	10.6	14.2	15.4	16.5	17.5	18.6
Personnel support and family housing	2.2	3.2	3.9	4.4	4.8	5.1	5.3
Military retired pay	1.2	2.1	5.1	6.2	7.3	8.2	9.1
Total personnel outlays	**24.0**	**35.8**	**46.9**	**51.0**	**53.6**	**57.1**	**60.4**
Total outlays	**50.8**	**78.0**	**78.4**	**86.0**	**88.5**	**98.3**	**110.1**
Personnel outlays as a percent of total	47.3	45.9	59.8	59.3	60.5	58.1	54.9

[1] Department of Defense military functions and military assistance.

liabilities. Under this proposal, the full costs of future defense retirement payments for currently active military personnel will be charged to the Department of Defense. These estimates will reflect the anticipated pay and price increases, which influence the size of military pensions. Outlays for currently retired military and civilian personnel would not be shown in the defense budget. Because of the complexity of the changes, it is proposed that the new system begin with the 1979 budget.

Retirement modernization act legislation is again proposed for 1978. This proposal would base annuities on the last year's average salary rather than pay on the final day of service, provide benefits for individuals separating from the military with fewer than 20 years of service and strengthen the incentives to serve a full 30-year career.

Action is also being taken to control civilian pay costs. The budget reflects initiation of a highly selective grade control program. Legislation to change aspects of the law that result in Government civilian blue-collar workers earning more than their private industry counterparts is again proposed. Step rates and night-shift differentials would be consistent with prevailing local private sector practices and the requirement for pay adjustments to reflect distant area wage rates would be repealed. State and local governmental activities would be included

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in future wage surveys. These reforms are based on the recommendations of the President's Panel on Federal Compensation. These reforms are designed to bring the operations of the Federal wage system closer to the local prevailing rate concept.

Federal employees on military leave to participate in military reserve programs currently receive their full civilian pay in addition to military pay. This practice is more generous and expensive than the practice followed by most non-Government employers. Legislation is proposed that would modify the civil service pay system to provide civilian pay to reservists on active duty only to the extent necessary to avoid a loss of take-home pay.

A comprehensive review of both active duty and reserve recruiting is planned to ensure that realistic and cost-effective recruiting programs are established which will provide both the quality and quantity of personnel needed by our Armed Forces.

In certain specialized skill areas, continued emphasis is being placed on a single military service conducting necessary training for all of the military services. Such single-service training would reduce overhead and facilities costs.

High school education programs for military personnel are being expanded to increase the abilities of the military work force and to improve recruiting.

The budget again reflects the proposed Defense Officer Personnel Management Act. This act would eliminate inequalities and unnecessary differences in officer management between services and between men and women officers. It is designed to match better the military work force with job requirements in terms of rank and length of service.

Legislation is again recommended to adjust the compensation of cadets and midshipmen and alter the pay for summer training of ROTC students. This proposal would replace the present method of pay with a compensation system which is more appropriate for students.

Additional steps are also proposed to reduce the number of senior officers in the military service and lower the cost of travel.

Military assistance.—Military assistance includes grants, credit sales, and training of foreign military personnel, which furnish other countries the support necessary to strengthen their own defense. These programs are discussed in the section on international affairs. Also included as part of military assistance is the foreign military sales trust fund, which reflects the impact on the budget of government-to-government military sales.

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SUMMARY OF ACTIVE MILITARY PERSONNEL AND FORCES

Description	June 30, 1976 actual	Sept. 30, 1977 estimate	Sept. 30, 1978 estimate
Military personnel (in thousands):			
End strength:			
Army	779	789	790
Navy	525	536	536
Marine Corps	192	192	192
Air Force	585	571	572
Total, Department of Defense	2,081	2,088	2,090
Average strength:			
Army	774	779	782
Navy	529	531	538
Marine Corps	194	190	192
Air Force	601	579	573
Total, Department of Defense	2,098	2,079	2,085
Strategic forces:			
Intercontinental ballistic missiles:			
Minuteman	1,000	1,000	1,000
Titan II	54	54	54
Polaris-Poseidon	656	656	656
Strategic bombers	422	421	421
General purpose forces:			
Land forces:			
Army divisions	16	16	16
Marine Corps divisions	3	3	3
Tactical air forces:			
Air Force wings	26	26	26
Navy attack wings	13	13	12
Marine Corps wings	3	3	3
Naval forces:			
Attack and multipurpose carriers	13	13	13
Nuclear attack submarines	63	67	72
Other warships	177	171	172
Amphibious assault ships	62	63	63
Airlift and sealift forces:			
C–5A airlift squadrons	4	4	4
Other strategic airlift, squadrons	13	13	13
Troopships, cargo ships, and tankers	48	48	48

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Atomic energy defense activities.—Proposed nuclear weapons research activities for 1978 are higher than 1977 levels because of greater emphasis on advanced research. Underground nuclear testing and weapons development activities are expected to remain at the 1977 levels. Additional funds are requested for safety, environmental, and physical security improvements. Outlays for these defense activities conducted by the Energy Research and Development Administration are estimated to increase from $1.8 billion in 1977 to $2.2 billion in 1978 and $2.5 billion in 1979.

Defense-related activities.—Net outlays for these activities are estimated to increase from $3 million in 1978 to $52 million in 1979.

The budget includes an update of the stockpile of critical and strategic materials in order to provide for wartime defense and civilian needs in the event of disruption of normal overseas supplies.

The planned reduction of the Selective Service System is expected to be completed in 1978. Outlays are expected to decline from $11 million in 1977 to $6 million in both 1978 and 1979. However, the agency will retain the capability to meet mobilization manpower requirements. The System will focus on detailed backup planning and on training of the Reserve officers responsible for expanding the organization to conduct registration and inductions in the event of mobilization.

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INTERNATIONAL AFFAIRS

The United States carries out a variety of international programs in support of efforts to advance international security, promote economic development, improve the functioning of the international economic system, and provide humanitarian relief.

Budget Proposals

- Support ongoing efforts to achieve a permanent peace in the Middle East and southern Africa.
- Contribute to a major capital replenishment for the International Development Association.
- Increase other development assistance and concentrate aid in the poorest countries.
- Begin a special development program for Sahelian Africa.
- Participate in an international consortium loan to help meet Portugal's temporary balance-of-payment needs.

Outlays for the international affairs function are estimated to increase from $7.1 billion in 1977 to $7.3 billion in 1978 and $7.6 billion in 1979.

Foreign Aid

The U.S. foreign aid programs have two major components: military assistance (included in the national defense function but discussed here) and foreign economic and financial assistance. In some instances these programs can be used interchangeably to permit recipient countries to meet their security and development needs by providing imports and technical assistance on favorable terms.

Military assistance.—Defense materiel and services are provided by the United States to friendly developing countries for their internal security and self-defense and to support their participation in regional or collective security arrangements.

The budget request continues the shift from military assistance grants to foreign military sales credits. The purpose of this shift is to reduce the ultimate cost to the United States and to encourage greater self-reliance on the part of recipients. Proposed budget authority for military assistance grants declines from the 1977 level of $262 million to $230 million in 1978, and the proposed number of recipient countries is also reduced.

For military credit sales, budget authority of $710 million is requested in 1978 to fund a program of $2.2 billion, a substantial portion of which is for Israel. In 1978, $540 million of the total budget au-

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thority is for direct credits, with the remainder to be used as a 10% reserve to guarantee loans by the Federal Financing Bank.

Outlays for military assistance, excluding the military sales trust fund, are estimated to decline from $715 million in 1977 to $577 million in 1978 and $494 million in 1979. Receipts of the military sales trust fund are estimated to exceed advances by $465 million in 1977 and to equal advances in both 1978 and 1979.

INTERNATIONAL AFFAIRS [1]

[In millions of dollars]

Program or agency	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
Foreign economic and financial assistance [2]	6,250	3,568	5,059	5,221	5,389
Conduct of foreign affairs:					
Administration of foreign affairs	714	411	614	685	749
International organizations and conferences	400	291	386	375	401
Other	32	24	30	31	31
Subtotal, conduct of foreign affairs	1,146	726	1,030	1,091	1,180
Foreign information and exchange activities:					
Foreign information activities	336	317	326	342	357
Educational exchange activities	83	65	68	80	88
Subtotal, foreign information and exchange activities	420	382	394	422	446
International financial programs:					
Export-Import Bank [3]	1,622	856	899	964	1,091
Balance of payments loan for Portugal (proposed legislation)	130	-------	300	130	120
Offsetting receipts	−20	−20	−20	−20	−20
Subtotal, international financial programs	1,732	836	1,179	1,074	1,191
Off-budget Federal entity: Exchange stabilization fund	(------)	*(−74)*	*(−58)*	*(−58)*	*(−58)*
Subtotal, including off-budget	*(1,732)*	*(762)*	*(1,120)*	*(1,016)*	*(1,133)*
Other deductions for offsetting receipts	−527	−446	−512	−527	−579
Total, international affairs	9,021	5,067	7,150	7,281	7,627
Total, including off-budget Federal entity	*(9,021)*	*(4,992)*	*(7,091)*	*(7,223)*	*(7,569)*

[1] Information on budget authority for 1976, 1977, and 1979, and data for the transition quarter are shown in tables 14 and 15 of Part 9.

[2] Detail shown in foreign aid table on the following page.

[3] By law, the Export-Import Bank was excluded from the budget totals from Aug. 17, 1971, until October 1, 1976. Under terms of Public Law 93-646, the Export-Import Bank transactions are now included retroactively in the budget totals.

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FOREIGN AID

[In millions of dollars]

Assistance programs	Budget authority		Outlays			
	1977 estimate	1978 estimate	1976 actual	1977 estimate	1978 estimate	1979 estimate
NATIONAL DEFENSE FUNCTION						
Military assistance: [1]						
Grant military assistance	262	230	367	415	300	260
Foreign military training	25	36	-------	25	31	31
Foreign military credit sales	698	710	280	575	560	520
Offsetting receipts and other	−311	−310	454	−300	−314	−317
Subtotal, military assistance [1]	674	666	1,101	715	577	494
INTERNATIONAL AFFAIRS FUNCTION						
Foreign economic and financial assistance:						
Security supporting assistance	1,735	1,459	601	1,457	1,431	1,542
Middle east special requirements fund	23	25	35	36	38	43
Indochina assistance	-------	-------	65	11	-------	-------
Multilateral development assistance:						
International financial institutions	1,285	1,985	902	868	1,059	1,089
International organizations	244	226	143	217	223	239
International Fund for Agricultural Development	-------	-------	-------	2	12	32
Subtotal, multilateral	1,529	2,211	1,045	1,086	1,294	1,360
Bilateral development assistance:						
Agency for International Development	1,116	1,280	1,001	1,187	1,206	1,244
Overseas Private Investment Corporation	-------	150	−48	−35	−8	−45
Inter-American Foundation	-------	-------	7	8	8	7
Sahel development program (proposed legislation)	-------	50	-------	-------	5	19
Subtotal, bilateral	1,116	1,480	960	1,161	1,211	1,225
Other foreign economic and financial assistance:						
Food for Peace	1,169	923	693	1,091	1,094	1,051
Migration and refugee assistance	40	40	42	51	39	40
Peace Corps	81	68	69	87	71	66
Other assistance	68	44	58	80	42	61
Subtotal, foreign economic and financial assistance	5,761	6,250	3,568	5,059	5,221	5,389
Other deductions for offsetting receipts [2]	−497	−533	−353	−497	−533	−573
Total, foreign aid	5,938	6,382	4,316	5,278	5,264	5,309

[1] Excludes trust funds.
[2] Loan repayments.

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Foreign economic and financial assistance.—The general objectives of the foreign economic and financial assistance programs are to provide economic support for security objectives, help meet the development and humanitarian needs of the poorer countries, encourage the expansion of a market-oriented international economic system, and reinforce our bilateral foreign relations. Outlays for such assistance are estimated to increase from $5.1 billion in 1977 to $5.2 billion in 1978 and $5.4 billion in 1979.

Security supporting assistance.—The United States provides economic aid to selected countries of particular political or security importance to the United States in order to help them meet their budget and balance of payments financing needs. Outlays, estimated at roughly $1½ billion a year from 1977 to 1979, are primarily for aid to the Middle East and southern Africa.

Multilateral development assistance.—This assistance includes capital subscriptions to international financial institutions such as the World Bank and regional development banks. It also includes voluntary contributions to the United Nations and other international development and relief programs. Outlays are estimated to rise from $1.1 billion in 1977 to $1.3 billion in 1978 and $1.4 billion in 1979.

The United States channels a substantial portion of its development assistance through the international development banks in support of a cooperative international system to promote development. These development banks offer a means for all of the developed countries to share equitably in the costs of development assistance, and they constitute centers of considerable technical expertise. Budget authority of $2.0 billion for 1978 and $1.7 billion for 1979 is proposed for U.S. subscriptions to capital replenishments of the major *international financial institutions.* These replenishments are generally needed to finance previously concluded international negotiations. However, $800 million in budget authority is requested in 1978 for the first of three annual payments to the capital replenishment of the International Development Association, the World Bank's facility for lending to the poorest countries. Negotiations have not yet been completed for this replenishment.

Budget authority of $226 million in 1978 is proposed for voluntary contributions to *international organizations,* including the United Nations Development program—the primary multilateral source of technical assistance to the poorer countries—and the Organization of American States. Increased technical assistance to the International Atomic Energy Agency's safeguards program is requested in 1978 and 1979, in support of the President's recent nuclear policy statement to further improve international controls against proliferation. Outlays

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for international organizations are estimated to increase from $217 million in 1977 to $223 million in 1978 and $239 million in 1979.

In 1976, $200 million in budget authority was appropriated to facilitate the United States contribution to the *International Fund for Agricultural Development*, a new $1.0 billion fund. The U.S. contribution, together with contributions from other industrialized countries and major oil-exporting nations, will finance projects to increase agricultural production in developing countries. U.S. outlays are estimated to be $12 million in 1978 and $32 million in 1979.

Bilateral development assistance.—The *Agency for International Development* (AID) is the principal administrator of U.S. bilateral development assistance. AID programs are intended to improve living standards of the poorest people in the developing countries by combining technical advice and capital project financing to help overcome specific development problems. Outlays for AID programs are estimated to be $1.2 billion a year from 1977 to 1979. These outlays will support programs in agricultural development, education, family planning, and the adaption of industrial technology to the needs of developing countries.

The *Sahel development program* is a multiyear, international effort to improve the long-term economic prospects of six drought-prone African countries. Budget authority is requested for initial U.S. contributions of $50 million in 1978 and $100 million in 1979 to meet currently estimated requirements.

Other foreign economic and financial assistance.—Food for Peace (Public Law 480) provides developing nations with low-cost loans and grants to finance food imports from the United States. The primary means for helping the developing countries meet their food problems is through AID and multilateral programs. Food aid, however, is an important complement by which the United States provides immediate increases in food consumption. Efforts are underway to increase its longer term developmental effectiveness. Because of lower food prices, 1977 outlays are lower than original estimates but will continue to finance shipments of about 6 million tons of food. This level of shipments is proposed to be continued in 1978 and 1979 with outlays of $1.1 billion.

Migration and refugee assistance is provided directly by the United States and through the United Nations and other international organizations. A 1977 supplemental budget request of $8 million in budget authority is proposed for aiding Soviet refugees resettling in countries other than Israel.

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Outlays for the *Peace Corps* are estimated to decrease from $87 million in 1977 to $71 million in 1978 and $66 million in 1979 reflecting fewer requests from other countries that can be filled because of the increasing difficulty of recruiting volunteers with the requested skills.

Other International Activities

Conduct of foreign affairs.—Outlays for carrying out diplomatic and consular activities are estimated to increase from $614 million in 1977 to $685 million in 1978 and $749 million in 1979, primarily because of the construction of a new embassy complex in Moscow, increased operating costs abroad, and workload increases.

Assessments for membership in international organizations continue to increase in 1978 and 1979. Outlays in 1978 are, however, $11 million below 1977, because the 1977 estimates include a payment of 2 years' arrearages to be paid to the United Nations Educational, Scientific, and Cultural Organization.

Foreign information and exchange activities.—Outlays are estimated to increase from $394 million in 1977 to $422 million in 1978 and $446 million in 1979, primarily because of higher operating expenses abroad for the U.S. Information Agency, Radio Free Europe/Radio Liberty (which is financed by grants from the Board for International Broadcasting), and State Department education and exchange activities.

International financial programs.—The *Export-Import Bank* provides direct loans, refinancing of export credits, and loan guarantees and insurance in order to facilitate the export of U.S. goods and services. The Bank is making a concerted effort to limit its lending solely to situations where private financing is not available or where necessary to offset competitive credit programs of foreign governments.

By law, the Export-Import Bank's transactions were excluded from the budget totals from August 17, 1971, until October 1, 1976. Under terms of Public Law 93–646, the Bank's transactions are now included retroactively in the budget totals.

Direct loan authorizations are estimated to increase from $2.5 billion in 1977 to $3.7 billion in 1978. Discount loans are estimated to decline from $700 million in 1977 to $500 million in 1978. Guarantees and insurance are estimated to increase by $1.0 billion to $7.5 billion in 1978. Outlays for the Bank's activities are estimated to rise from $0.9 billion in 1977 to $1.0 billion in 1978 and $1.1 billion in 1979.

Balance of payments loan for Portugal.—The budget proposes a total of $550 million as the U.S. share of a special medium-term

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international consortium loan to enable Portugal to overcome temporary balance of payments financing problems. The loan would be at market-related interest rates and would be provided in three installments requiring budget authority and outlays of $300 million in 1977, $130 million in 1978, and $120 million in 1979.

Tax expenditures.—The international affairs function contains a number of tax expenditures aimed at promoting U.S. trade and investment. The largest—the deferral of taxes on profits of domestic international sales corporations (DISCs)—is expected to reduce Federal receipts by $1.2 billion in 1978. The Tax Reform Act of 1976 reduced tax expenditures under the DISC provisions by approximately one-third, primarily by limiting their applicability to the increments in export sales.

MAJOR CREDIT PROGRAMS—NATIONAL DEFENSE AND INTERNATIONAL AFFAIRS

[In millions of dollars]

	1976 actual	TQ actual	1977 estimate	1978 estimate
Foreign military credit sales:				
Direct loan disbursements [1]	80	12	90	70
Direct loan repayments	99	46	139	141
Direct loans outstanding, end of period	982	948	899	828
Guaranteed loans outstanding, end of period	2,345	2,787	4,091	5,654
Other international security assistance: [2]				
Direct loan disbursements [1]	404	47	156	154
Direct loan repayments	108	56	108	105
Direct loans outstanding, end of period	1,628	1,620	1,668	1,717
International development assistance: [3]				
Direct loan disbursements [1]	555	117	449	378
Direct loan repayments	207	52	253	272
Direct loans outstanding, end of period	11,181	11,245	11,441	11,547
Guaranteed loans outstanding, end of period	157	153	160	180
Food for Peace:				
Direct loan disbursements [1]	615	318	772	768
Direct loan repayments	120	21	93	109
Direct loans outstanding, end of period	4,449	4,746	5,425	6,085
Export-Import Bank:				
Direct loan disbursements [1]	2,206	528	2,256	2,521
Direct loan repayments [4]	1,261	266	1,234	1,424
Direct loans outstanding, end of period	10,830	11,093	12,115	13,212
Guaranteed loans outstanding, end of period	5,273	4,927	5,666	6,516

[1] New loans; does not include writeoffs of loans, forgiveness credits or other adjustments.
[2] Includes credit programs in both national defense and international affairs functions.
[3] Excludes local currency loans.
[4] Includes sale of loan assets.

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GENERAL SCIENCE, SPACE AND TECHNOLOGY

The general science, space, and technology function includes the space research and technology programs of the National Aeronautics and Space Administration (NASA), the physical science programs of the Energy Research and Development Administration (ERDA), and all of the activities of the National Science Foundation. Outlays for this function are estimated at $4.7 billion in 1978, an increase of $291 million over 1977. Outlays for 1979 are estimated to be $5.2 billion.

Budget Proposals

- Continue development of the space shuttle and establish a fleet of five shuttle orbiters to begin operations in 1980.
- Begin development of an advanced Earth-orbiting space telescope to conduct astronomy investigations of distant parts of the universe.
- Begin development of a Jupiter orbiter/probe mission to obtain increased scientific knowledge of the largest planet.
- Initiate development of an advanced Earth resources satellite, Landsat-D, to assess further the value of data obtained from such satellites.
- Increase fundamental research in Earth sciences and applied research in earthquake engineering as part of an accelerated multiagency effort on earthquake prediction.
- Provide 3% real growth in the Federal Government's overall support for basic research through the National Science Foundation and other agencies.

The programs described in this function are only a part of the Federal Government's support for research and development. Most of the Federal Government's support for research and development appears in other functions, such as energy, health, and defense. Special Analysis P, "Federal Research and Development," in the special analyses volume of the 1978 budget, discusses the full range of these Federal programs. In addition, a tax provision that permits private industry to treat research and development projects as current costs, rather than as capital investments to be depreciated over a period of years, will result in an estimated $1.5 billion in *tax expenditures* that support research and development in 1978. Also, the Federal Govern-

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ment provides allowances to contractors for performing independent research and development associated with procurement contracts.

GENERAL SCIENCE, SPACE, AND TECHNOLOGY [1]

[In millions of dollars]

Program or agency	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
Space research and technology:					
Space flight	2,182	2,000	2,044	2,156	2,230
Space science, applications, and technology	1,024	980	960	974	1,205
Supporting space activities	391	358	354	381	441
Subtotal, space	3,597	3,338	3,358	3,511	3,876
General science and basic research:					
National Science Foundation	889	733	737	825	886
Energy Research and Development Administration	429	299	339	388	439
Smithsonian Institution	2	2	2	2	2
Subtotal, general science and basic research	1,320	1,035	1,077	1,216	1,328
Deductions for offsetting receipts	−2	−3	−2	−2	−2
Total	4,915	4,370	4,434	4,725	5,202

[1] Information on budget authority for 1976, 1977, and 1979 and data for the transition quarter are shown in tables 14 and 15 of Part 9.

Space Research and Technology

Outlays for space research and technology in 1978 are estimated at $3.5 billion, $153 million greater than in 1977. The increase in 1978 is for the continued development of the reusable space shuttle and activities in space science and applications. The increase also reflects a decision in the 1978 budget to initiate funding for three additional shuttle orbiters to provide a national fleet of five orbiters for civilian and military uses. Outlays for 1979 are estimated at $3.9 billion, primarily to continue 1978 programs and activities.

Space flight.[1]—Space flight activities include transportation and associated support required to conduct space missions. This involves

[1] This subfunction was formerly known as "manned space flight," and now includes some outlays previously included in "space science, applications, and technology."

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primarily the space shuttle, related components (for example, Spacelab and the upper propulsive stages needed to place satellites in high Earth orbits or on planetary trajectories), and expendable rocket boosters. Except for some small expendable rockets, the shuttle will replace virtually all expendable boosters beginning in 1980. Outlays for space flight are estimated to be about $2.2 billion per year in 1978 and 1979.

The shuttle should provide greater flexibility in the conduct of space missions at lower costs than is possible with present expendable launch vehicles. For example, satellites and laboratories can be placed in Earth orbit and recovered for service and repair. During 1977 and 1978, development is scheduled to continue on two prototype shuttle orbiters, and major tests are to be conducted, including approach and landing tests with a shuttle orbiter and ground tests of the shuttle main propulsion system. The first manned orbital flight of the shuttle is scheduled for 1979, and initial operations at the Kennedy Space Center, Florida are scheduled for 1980. A second launch facility at Vandenberg Air Force Base in California is scheduled to become operational in late 1982. Funds are provided in the 1978 budget for NASA to initiate procurement of three operational orbiters which, together with two refurbished prototypes, will comprise a national fleet of five orbiters to be used for civilian and military missions.

The 1978 budget also requests funds to continue U.S. participation in a cooperative program with the European Space Agency (ESA) to build the space laboratory to be carried into Earth orbit by the shuttle. The space laboratory should make possible new experiments in space astronomy, Earth observations, space life sciences, and space technology. Such experiments are important to the advancement of basic science and also to such applications as communications, weather forecasting, and Earth resources surveys.

Space science, applications, and technology.—The 1978 budget requests funds to continue the exploration of the solar system and the universe, the application of space technology to practical uses on Earth, and the development of technology for future space projects. Outlays for this subfunction are estimated to be $960 million in 1977, $974 million in 1978, and $1.2 billion in 1979. The estimated increase in 1979 reflects the buildup of new projects, such as the space telescope, proposed for 1978.

The space science programs emphasize the exploration of the solar system and the universe with the objective of advancing fundamental knowledge through basic research. Two Pioneer spacecraft are continuing the exploration of the outer planets; one spacecraft is now escaping the solar system and the other will fly by Saturn in 1979.

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Two Viking unmanned orbiter/lander spacecraft launched to Mars in 1975 are now mapping the planet from orbit and searching for life on the planet's surface. Funds are included in the 1978 budget request to study alternatives for a possible Mars follow-on mission to the current Viking mission; such a mission may be considered for inclusion in future budgets for the planetary exploration program. Two Mariner spacecraft are being developed for the Jupiter-Saturn flyby missions scheduled for launch in 1977. An orbiter/probe spacecraft is being developed for launch to Venus in 1978 to initiate atmospheric investigations of that planet. A new mission, the Jupiter orbiter/probe, to be launched in 1981, is included in the 1978 budget.

In addition to these planetary missions, development is planned to continue in 1978 and 1979 on satellites to conduct high energy and ultraviolet astronomy from Earth orbit. The major emphasis is on the high energy astronomy observatories to be launched during 1977–79 to study X-ray, gamma-ray, and cosmic-ray sources in the galaxy and distant parts of the universe. Work is proceeding on a satellite to study the Sun during the next period of peak solar flare activity in 1979–80. In addition, development is proposed to be started in 1978 on an Earth-orbiting space telescope to be launched in 1983 to study distant parts of the universe.

In the space applications program, NASA is completing development of a third, experimental Earth resources satellite (Landsat-C), scheduled to be launched in late 1977 or early 1978. A more advanced Earth resources satellite (Landsat-D) is proposed in the 1978 budget. Scheduled to be launched in 1981, this satellite would allow further assessment of the value of data from space for use in agricultural forecasting, geological surveys, and other applications. Development is proceeding on Tiros-N to provide improvements in weather forecasting. Work is continuing on the heat capacity mapping mission to aid in oil and mineral exploration and to locate and map possible sources of geothermal energy; on Nimbus-G to demonstrate the capability of monitoring worldwide pollution from space; and on Seasat-A to monitor ocean conditions, such as wave height, ocean currents, and weather conditions at sea. These are all scheduled for launch in 1978.

A new project, the search and rescue system demonstration, is proposed for 1978 as a cooperative program with the Canadian Government to examine the feasibility of a satellite-based monitoring system to detect and locate distress signals from emergency beacons carried on private and commercial aircraft and on certain marine vessels.

Supporting space activities.—Funds are included under this heading to provide tracking and data support to existing and future flight

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programs and to encourage broader utilization of space technology for commercial purposes. Outlays for supporting space activities are estimated to rise from $354 million in 1977 to $381 million in 1978 and $441 million in 1979.

Basic Science

General science and basic research.—The 1978 budget provides for continued real growth in Federal obligations to assure balanced support of basic research in all scientific disciplines. Basic research is aimed at the acquisition or expansion of fundamental knowledge as contrasted with applied research, which seeks solutions to specific problems. The Federal Government has a primary responsibility for support of basic research because the high risk and uncertain payoffs from such research lead to underinvestment by the private sector. The key agencies having programs in this subfunction are the National Science Foundation and the Energy Research and Development Administration. Total outlays for the programs in this subfunction are estimated to increase from $1.1 billion in 1977 to $1.2 billion in 1978, and to $1.3 billion in 1979.

In addition to the proposed increases for programs in this category, the basic research programs of agencies included in other budget functions are also proposed to be increased in 1978. Basic research in the Department of Defense (which appears in the national defense function) and in the Department of Health, Education, and Welfare (primarily in the health function) is proposed to be increased substantially; and a 5-year competitive grants program in basic research is proposed in the Department of Agriculture (which appears in the agriculture function).

National Science Foundation.—Proposed budget authority for the National Science Foundation (NSF) increases by $110 million to a total of $889 million in 1978 and $937 million in 1979. In 1978, an increase of 12 percent in obligations is proposed for the support of basic research; this reflects a policy of continuing to provide substantial real growth in overall Federal funding for such research, after cost increases are taken into account. This proposed increase in NSF's obligational authority applies to all fields of basic research, with emphasis on replacing and upgrading scientific research equipment.

NSF will join with the U.S. Geological Survey (USGS) to begin a comprehensive, long-term research effort to develop a reliable earthquake prediction capability. As part of this effort, basic Earth sciences research in both agencies is proposed to be increased, and the NSF research applied to national needs (RANN) program proposes to more than double its support for research in earthquake engineering and for studies of the social, legal, and economic aspects of earthquake

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prediction. The USGS programs are discussed in the natural resources, environment, and energy function.

Energy Research and Development Administration.—An increase in space nuclear applications research is proposed to develop new nuclear power sources for planned NASA spacecraft and Department of Defense systems. In the nuclear physics program, the Bevalac facility at the Lawrence Berkeley Laboratory is to be upgraded to allow advanced scientific investigation of heavy elements.

Increased funding for high-energy physics research is proposed to allow greater utilization of accelerators to pursue recent advances in theoretical understanding of fundamental physical phenomena. Construction of the positron-electron project (PEP) at the Stanford Linear Accelerator Center, initiated in 1977, is to continue with initial operations scheduled for 1980. Outlays for ERDA in this subfunction are estimated to increase by about $50 million a year, from $339 million in 1977 to $439 million in 1979.

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NATURAL RESOURCES, ENVIRONMENT, AND ENERGY

Natural resources, environment, and energy programs are concerned with both present and future needs. They promote the management of the Nation's natural resources, recognizing the need for development, conservation, and environmental protection. Budget outlays for this function are estimated to increase from $17.0 billion in 1977 to $19.7 billion in 1978 and $20.6 billion in 1979. Total outlays, including off-budget Federal entities, are estimated to increase from $17.5 billion in 1977 to $20.4 billion in 1978 and $22.1 billion in 1979.

Budget Proposals

Energy

- Establish a Department of Energy by consolidating the functions of the Energy Research and Development Administration (ERDA), Federal Energy Administration (FEA), Energy Resources Council (ERC), Federal Power Commission (FPC), the Bureau of Mines (BOM) and Power Administrations from the Department of the Interior, and the Rural Electrification Administration (REA).
- Establish an Energy Independence Authority to provide financial assistance for the commercialization of emerging technologies and to expedite regulatory permits on assisted energy projects.
- Provide $1.7 billion in budget authority in 1978 and $1.0 billion in 1979 to implement the petroleum storage program. A 500-million-barrel reserve is planned for completion in 1982.
- Remove price controls on new natural gas and phase out price controls on domestic crude oil.
- Provide a tax credit for homeowners who insulate their homes and a $55 million program for insulation of housing for low-income individuals.
- Increase proposed 1978 energy research and development outlays 26% over 1977 to make more effective use of our domestic energy resources.
- Provide funds to implement the Administration's recently announced decisions aimed at preventing the proliferation of plutonium and technologies for plutonium separation, while preserving the energy benefits of nuclear power for the entire world.

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Environment

- Recommend reform of the Environmental Protection Agency's waste treatment construction grant program and, upon enactment of reforms, a 10-year funding commitment of $45 billion. A $400 million 1977 supplemental is proposed to keep States from running out of funds pending enactment of reforms.
- Increase the flexibility of State governments in distributing Federal funds to State or local pollution control agencies by consolidating five Environmental Protection Agency categorical grant programs.
- Fund the Toxic Substances Control Act at $23 million in 1978 and provide a substantial increase in personnel (including 100 new positions in 1977) to ensure timely and effective implementation.
- Mount a strong combined Federal-State attack on pesticide misuse by increasing resources for State pesticide programs, with special emphasis on reducing illegal marketing, distribution and use of pesticides.

Natural Resources

- Propose legislation to require navigators of Federal waterways, canals, locks, and channels to pay user fees to help defray the cost of waterways.
- Abolish the Water Resources Council, replacing it with a Cabinet-level committee, and transferring certain of its functions to the Department of the Interior.
- Study the feasibility of managing the national forest system on a businesslike self-financed basis.
- Provide full funding of the Land and Water Conservation Fund at $600 million in 1978, a 100% increase over previous levels, and at $750 million in 1979.
- Double the budget authority available for historic preservation grants to $35 million in 1978.
- Initiate a major program for earthquake hazards reduction.
- Initiate the President's $1.5 billion Bicentennial land heritage program in 1977 to preserve and expand the national parks and national wildlife refuges.

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NATURAL RESOURCES, ENVIRONMENT, AND ENERGY [1]

[In millions of dollars]

Program or agency	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
Energy:					
Energy Independence Authority (proposed legislation) [2]	42	-------	-------	42	55
Storage, conservation, and resource development	2,984	520	1,256	2,558	2,456
Proposed legislation	−159	-------	−39	−120	−243
Regulation	236	175	222	229	247
Research and development	3,994	1,690	2,677	3,383	4,370
Proposed legislation	295	-------	-------	3	8
Subtotal, energy	7,392	2,385	4,115	6,094	6,892
Off-budget Federal entities:					
Energy Independence Authority [2]	*(83,000)*	(-------)	(-------)	*(650)*	*(1,450)*
Rural electrification and telephone revolving fund	(-------)	*(213)*	*(456)*	(-------)	(-------)
Subtotal, including off-budget	*(90,392)*	*(2,598)*	*(4,571)*	*(6,744)*	*(8,342)*
Pollution control and abatement:					
Sewage plant construction grants	-------	2,429	4,430	4,970	4,100
Proposed legislation	4,500	-------	-------	190	1,250
Other	715	638	766	753	693
Subtotal, pollution control and abatement	5,215	3,067	5,196	5,913	6,043
Water resources and power:					
Water resources development	3,691	2,857	3,850	3,687	3,711
Proposed legislation	8	-------	-------	8	8
Power	−140	743	939	1,200	1,024
Subtotal, water resources and power	3,558	3,600	4,790	4,895	4,743
Conservation and land management:					
Forest Service	1,110	916	1,138	993	1,056
Bureau of Land Management	324	231	296	315	348
Agriculture conservation programs	258	432	481	441	286
Proposed legislation	90	-------	-------	22	45
Other, including offsetting receipts	−394	−333	−452	−402	−383
Subtotal, conservation and land management	1,388	1,245	1,464	1,370	1,352

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NATURAL RESOURCES, ENVIRONMENT, AND ENERGY [1]—Continued

[In millions of dollars]

Program or agency	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
Recreational resources:					
Bicentennial land heritage (proposed)	20	-------	145	189	134
Land and water conservation fund	630	276	422	443	609
Operation of recreational resources	736	619	670	739	759
Proposed legislation	10	-------	-------	10	10
Subtotal, recreational resources	1,396	895	1,237	1,381	1,512
Other natural resources	1,146	897	1,048	1,092	1,122
Other deductions for offsetting receipts	−997	−807	−800	−997	−1,045
Total	**19,098**	**11,282**	**17,050**	**19,747**	**20,619**
Total, including off-budget Federal entities	*(102,098)*	*(11,494)*	*(17,506)*	*(20,397)*	*(22,069)*

[1] Information on budget authority for 1976, 1977 and 1979, and data for the transition quarter are shown in tables 14 and 15 of Part 9.

[2] Under proposed legislation, net gains or losses of the Energy Independence Authority will be included within the budget. All other transactions of this corporation appear off-budget in Part IV of the budget appendix.

Energy.—Budget outlays for programs to carry forward overall national energy policies are estimated to increase from $4.1 billion in 1977 to $6.1 billion in 1978 and $6.9 billion in 1979. Total outlays, including off-budget Federal entities, are estimated to rise from $4.6 billion in 1977 to $6.7 billion in 1978 and $8.3 billion in 1979.

The oil embargo of 1973 and the sharp price increases established by OPEC highlighted the fact that the United States no longer had abundant, cheap, domestic energy supplies. The United States currently depends on imports for over 40% of the petroleum consumed at a cost of about $34 billion per year.

Major longer run actions taken to date include policies and programs to:

- increase the use of coal, nuclear power, and renewable power resources;
- accelerate development of federally owned domestic coal, oil and gas resources;
- reduce the rate of growth of energy consumption;
- develop breeder reactor, solar, fusion and other energy technologies that could meet our energy needs at the end of this century and beyond; and
- establish FEA, ERDA, and the ERC to provide basic capability within the Federal Government to plan and execute national energy policies and programs.

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These represent the start of solutions to a number of fundamental problems that must be dealt with in an effective way over the longer term to secure needed energy supplies at an affordable price.

Energy organization.—The current Federal organizations for developing and carrying out energy policy have been created by a series of independent actions, taken primarily during a period of crisis. Improved coordination of energy programs calls for changes in the present structure. A Presidential report prepared for Congress that is required in the Energy Conservation and Production Act has recommended improvements in the organization and coordination of these programs. It is proposed that the functions of the Federal Energy Administration, the Energy Resources Council, the Energy Research and Development Administration, the Bureau of Mines and Power Administrations (Department of the Interior), the Rural Electrification Administration (Department of Agriculture), and the Federal Power Commission be joined within a single cabinet level Department of Energy.

Energy Independence Authority.—Accelerated development of domestic energy resources and greater conservation efforts are needed to ensure that energy supplies will be available over the long term. To encourage this, the establishment of an Energy Independence Authority (EIA) is again proposed to provide loans, loan guarantees, and other assistance to energy projects of major importance where private investments would not otherwise be available. The Authority would supplement and encourage private capital investment across a variety of energy supply, conservation, and energy-related environmental projects. The EIA would help shorten the time required for energy projects to obtain clearances and permits from Federal regulatory agencies. Financial resources of EIA are proposed to be $100 billion; of that amount up to $10 billion is anticipated to be used in 1978. Only its operating gains or losses would be reflected in the budget.

Storage.—The budget provides for the development of a strategic petroleum reserve to minimize the impact of disruption in world petroleum supplies. The reserve would consist of 500 million barrels of crude oil, equal to 3 months' imports, to be stored by December 1982. During the initial phase of the program—through December 1978—storage of 150 million barrels of crude oil is planned. The 1978 budget proposes $1.3 billion in budget authority to purchase oil needed to complete the initial 150 million-barrel phase of the program, and $390 million in budget authority to expand the storage facilities for the remaining 350 million barrels. The 1979 estimate includes $973 million in budget authority, primarily to purchase additional oil for

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the reserve. The total cost for the program through December 1982 is estimated to be $7.2 billion. FEA is conducting further studies on alternative ways to finance the program.

Conservation.—In addition to the reliance on the price mechanism to achieve greater conservation, other measures are proposed. The budget includes $55 million of budget authority in both 1977 and in 1978 for a congressionally approved program to provide housing insulation for low-income persons and $50 million in 1978 to continue the State conservation program. The budget also provides funding needed to complete 25 utility rate demonstrations, some of which started in 1975, that should develop experience to facilitate adoption of utility rate reforms by State and local regulatory agencies and utility companies. In order to conserve fuel, an income tax credit is again proposed to encourage homeowners to insulate their homes. This provision would result in a tax expenditure of $195 million in 1978.

Resource development.—The budget includes $1.2 billion in outlays in 1978 for production of enriched uranium fuel for both domestic and foreign nuclear reactors. The outlays would provide for continuing the upgrading of ERDA's three existing plants and for continuing the addition to ERDA's Portsmouth, Ohio, enrichment plant that will expand U.S. enrichment production by 33%. The total estimated cost for this plant is $4.4 billion; in 1978 outlays are estimated at $220 million. A possibility exists that additional authority might be needed to provide for the electricity required by these plants. It is recommended that future increments of uranium enrichment capacity be financed, built, and operated by private industry and that new authorization to enable private enterprises to enter the enrichment business be considered by the Congress. The budget assumes that this authorization would have little or no direct budgetary impact in 1978 and 1979.

Resource assessment of the National Petroleum Reserve, Alaska, by the Department of the Interior is proposed to be funded at $196 million in budget authority in 1978 and $215 million in 1979 consistent with the Navy plan. Legislation is recommended to authorize immediate competitive, private exploration and development of the area on the same general basis as that applicable to other public lands.

Tax expenditures also encourage the development and production of energy and mineral resources. Exploration and development expenses (mostly for oil and gas) may be treated as current costs rather than as capital investments, which may be amortized only over a number of years. This provision is expected to provide a $0.8 billion

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incentive to develop energy resources in 1978. Another tax provision allows the use of percentage depletion rather than actual cost depletion. Although sharply curtailed for oil and gas in 1975 legislation, it is still expected to offer a $1.4 billion tax incentive for mineral production in 1978, with most of that amount for fossil fuel production.

Regulation.—These programs provide controls over the use of nuclear materials, controls over the construction and operation of nuclear reactors and related facilities, the regulation of interstate natural gas and electric power, and the allocation and pricing of petroleum.

The budget provides for a $13 million increase in 1978 for the Nuclear Regulatory Commission's programs for nuclear materials safeguards, reactor inspections and reactor safety research.

The Federal Power Commission plans to provide for an increasing workload of applications and natural gas curtailments by reprograming resources used for general analysis and administrative support. Reorganization and use of a new computer system should add considerably to the Commission's efficiency.

For the Federal Energy Administration, significant regulatory program reductions are planned with the phaseout of audits for retailers and wholesalers (excluding propane) as most price and allocation controls are removed from petroleum products.

Research and development.—Outlays for energy research and development are estimated to rise from $2.7 billion in 1977 to $3.4 billion in 1978 and $4.4 billion in 1979. These programs are designed to supplement and accelerate private spending for energy research and development.

Outlays for *nonnuclear energy research and development* are proposed to rise from $1.2 billion in 1977 to $1.4 billion in 1978 and $1.7 billion in 1979. Major increases are provided for demonstration of advanced and current technologies to produce synthetic fuel from coal, to develop technologies for coal combustion, for research on improving gas turbines, for development of technologies to increase oil and gas production, and to extract oil and gas from oil shale. In the case of commercial scale demonstrations of current technologies for the production of synthetic fuels, it is proposed that the Congress specifically authorize individual projects. Outlays are proposed to increase significantly for solar and geothermal research and development to a total of about $300 million in 1978, a 30% increase over 1977; outlays in 1979 are estimated to be about $370 million. These increases would allow for a greater emphasis on solar research that could make the use of solar energy effective and inexpensive. A revision of the tax code is proposed to allow certain expenditures for the discovery of geothermal energy to be treated as current expenses like other private

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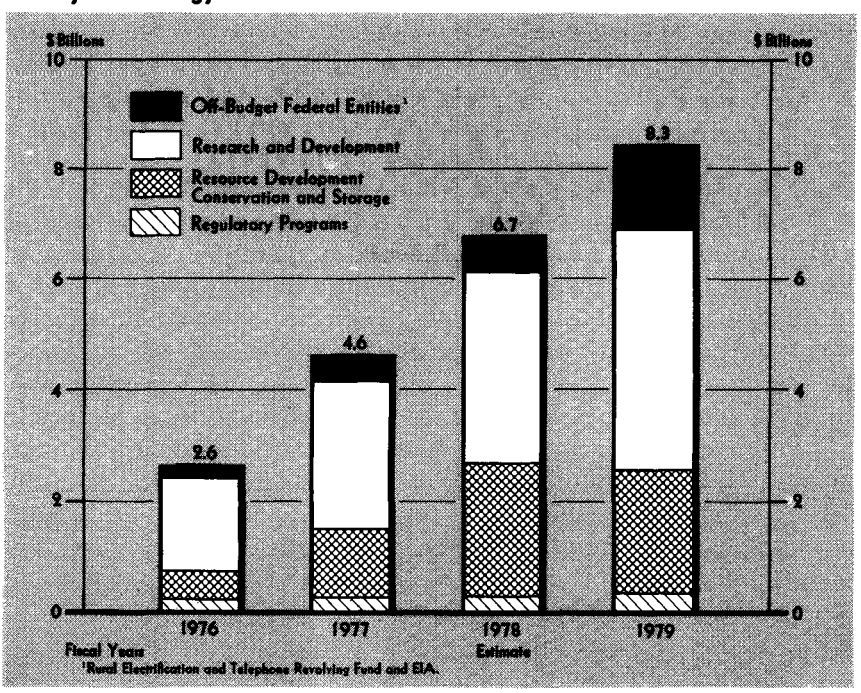
research and development outlays. Outlays for conservation research and development are proposed to increase about 16% over 1977 to $140 million in 1978 to assist the private sector in developing building standards, community systems, energy saving technologies common to many industries, advanced automotive engines, and technologies for energy storage. These increases would further assist growing private sector efforts to develop, market, and use conservation methods and technologies.

Outlays for *nuclear research and development* are estimated to rise from $1.5 billion in 1977 to $2.0 billion in 1978 and $2.6 billion in 1979. Major new initiatives are proposed to meet nuclear policy and nonproliferation objectives, including accelerated centrifuge enrichment development, increased safeguards to prevent the theft of nuclear materials, investigation of the feasibility of new alternatives for extracting energy from spent nuclear fuel, design of reprocessing facilities, and a significantly accelerated program to assure the safe long-term disposal of nuclear wastes. In addition, to prevent the spread of separated plutonium, any funds needed for the repurchase of spent nuclear fuel from foreign sources are covered by the contingency allowance. It is recommended the legislation be enacted to permit ERDA to contract for storage services for these repurchases. Increases are proposed for the construction of an experimental fusion test reactor and demonstration powerplant using liquid metal fast breeder

Outlays for Energy



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reactor technology. Development would continue on other advanced reactor concepts, including the high temperature gas cooled reactor, the gas cooled fast reactor and the light water breeder reactor.

The budget also proposes $360 million in outlays in 1978, an increase of 15% over 1977, for *supporting energy research and development.* Nearly $200 million is included for environmental and health research and development. The environmental program provides oversight and coordination of ERDA's technology programs to ensure that adequate attention is paid to safeguarding environmental quality. Research funded by the basic energy sciences program would increase to provide supporting data and better theoretical foundations for all ERDA energy technology programs. Construction of a national synchrotron light source facility is proposed to provide a powerful new tool that uses synchrotron radiation for investigation of the structure of materials and chemical processes. Funds are also proposed for a new combustion research facility incorporating the most sophisticated techniques available for analyzing combustion processes.

Including energy related research and development programs in other functions, total Federal outlays for such activities are estimated to be $3.6 billion in 1978, an increase of $0.7 billion over 1977.

Rural Electrification and Telephone Revolving Fund (R.E. & T.R.F.).—New direct loan commitments from this off-budget Federal entity are estimated to be $1 billion in 1978 ($750 million for rural electric borrowers to provide electric service to rural areas and $250 million for rural telephone borrowers to furnish and improve telephone service to rural areas). Loans from the R.E. & T.R.F. bear interest at either 2% or 5% and are to be repaid within 35 years. By statute the loans, advances, budget authority, and outlays of the R.E. & T.R.F. are excluded from the budget. Legislation is proposed to include this and other off-budget Federal entities in the budget in 1979.

In addition, during 1978 the Rural Electrification Administration (REA) proposes to make commitments to guarantee $3.5 billion of loans made by the Federal Financing Bank and other qualified lenders to eligible rural electric borrowers. These loans would finance the construction and operation of generating plants and electric transmission and distribution systems in rural areas. REA proposes also to make commitments to guarantee $200 million in loans to furnish and improve telephone service in rural areas. By statute, any amounts guaranteed by the Administrator of REA under the Rural Electrification Act are not included in the totals of the budget and are exempt from any general limitation imposed by statute on expenditures and budget outlays of the United States. Legislation is proposed that would remove this provision from the statute.

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MAJOR CREDIT PROGRAMS—NATURAL RESOURCES, ENVIRONMENT, AND ENERGY

[In millions of dollars]

Agency and program	1976 actual	TQ actual	1977 estimate	1978 estimate
Energy:				
Energy Research and Development Administration:				
Geothermal resource development fund:				
Guaranteed loans outstanding, end of period	----	----	197	491
Off-budget Federal entities:				
Rural Electrification and Telephone Revolving Fund:				
Direct loan disbursements [1]	*816*	*208*	*975*	*1,000*
Direct loan repayment [2]	*407*	*246*	*332*	*816*
Direct loans outstanding, end of period	*8,256*	*8,218*	*8,861*	*9,045*
Guaranteed loans outstanding, end of period	*1,114*	*1,514*	*2,615*	*3,691*
Energy Independence Authority:				
Direct loan disbursements [1]	----	----	----	*650*
Direct loan repayments [2]	----	----	----	*500*
Direct loans outstanding	----	----	----	*150*
Guaranteed loans outstanding, end of period	----	----	----	*1,700*
Water resources:				
Bureau of Reclamation loan fund:				
Direct loan disbursements [1]	12	6	31	17
Direct loan repayments	3	1	3	4
Direct loans outstanding, end of period	201	206	233	246

[1] New loans; does not include write-offs of loans, forgiveness credits or other adjustments.
[2] Includes sale of loan assets.

The new coastal energy impact program is discussed in the community and regional development function.

Pollution control and abatement.—Programs in this area provide resources to control or reduce air, water, and land pollution. Outlays are estimated to increase from $5.2 billion in 1977 to $5.9 billion in 1978 and $6.0 billion in 1979.

Sewage plant construction grants.—One of two major proposed changes in Federal environmental programs involves, for the first time, a 10-year funding commitment for construction of wastewater treatment plants, contingent upon enactment of reform legislation—first proposed last year. This will focus Federal funding on the most critical water quality improvements while reducing the long-term Federal liability for waste treatment plant construction from $330 billion to $45 billion. The proposed reforms would:

- limit Federal grants to those programs having the greatest impact on water quality: namely, treatment plants, interceptor sewers, and correction of sewer infiltration and inflow; and reduce the Federal share from 75% to 60% for control of combined

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sewer overflows (thereby eliminating grants for collection sewer systems, sewer rehabilitation projects, and treatment for urban stormwater runoff);

- limit Federal grant assistance to that portion of facilities necessary to serve the existing population;
- limit Federal grant assistance to features necessary to meet Federal standards, except where municipalities demonstrate that the benefits of additional features exceed the costs; and
- extend the deadline through 1978 for obligating the $18 billion authorized in 1972.

Pending enactment of the reform legislation, a supplemental $400 million in budget authority is proposed for use by those States running out of funds in 1977. The use of these funds would be limited to financing the highest priority facilities in water quality improvement; namely, secondary waste treatment works and interceptor sewers.

Contingent upon enactment of the reform, 1978 budget authority of $4.5 billion is proposed as the first increment of the 10-year $45 billion commitment. Outlays for this program are expected to increase from $4.4 billion in 1977 to $5.2 billion in 1978 and $5.4 billion in 1979.

Other pollution control and abatement.—The second major proposed change in Federal environmental programs involves increased emphasis on programs to prevent the occurrence of pollution rather than to control pollutants after they have entered the environment. For example, the recently enacted Toxic Substances Act regulates the introduction into the economy and the use of toxic substances for purposes of protecting the environment.

The 1978 budget also provides for an increased emphasis on the enforcement of pollution control laws. The budget provides for increased grants for State pesticide programs, with special emphasis on reducing illegal marketing, distribution, and use of pesticide products. A 40% increase in budget authority for control of stationary sources of air pollution is also proposed.

In addition, States will receive increased authority to set priorities for the use of Federal pollution control and abatement grants. While the existing environmental laws place the major responsibility for meeting Federal standards on State governments, the categorical grant system intended to help States defray the cost of meeting the standards has frequently limited the ability of any particular State to address its most critical pollution problems. In lieu of the Federal Government's detailed control over the distribution of funds among air, water quality, water supply, solid waste and toxic substances

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control programs in each State through categorical grants, the 1978 budget provides for one consolidated grant to each State. The government of each State will allot funds among these programs within general guidelines and thereby be able to focus Federal funds on the priority environmental problems of the State.

Under current law the tax-exempt status of pollution control industrial revenue bonds results in a tax expenditure estimated at $320 million in 1978. Legislation is proposed to end tax-exempt status of these bonds, which would under this proposal be taxable and receive a 20% Federal interest subsidy.

Water resources and power.—Outlays for this area are estimated to decrease from $4.9 billion in 1978 to $4.7 billion in 1979.

Water resources development.—Federal water resource development agencies construct, operate and maintain projects primarily for flood control, navigation and irrigation. Other purposes include generation of hydroelectric power, provision of municipal water supply, and recreation.

Corps of Engineers construction projects are budgeted to meet the schedules presented with the 1977 budget. The Bureau of Reclamation program for 1978 and beyond would be placed on a schedule consistent with realistic budget projections over the next 5 years similar to that prepared by the Corps in 1977. First priority in establishing project completion dates for these agencies is given to power and energy-related projects and to urban flood control. The first priority for Soil Conservation Service projects is given to rural areas.

The accompanying table shows construction projects that have been funded with year-by-year appropriations and that need future budget authority for their completion. Because the total budget authority does not appear in any one budget year, the full costs of these projects are sometimes not understood. For example, the 1978 budget authority of $2.5 billion for water resources and recreation projects will require an additional $20 billion in budget authority in future years to complete. The total cost of these projects is over $44 billion. In order to finance ongoing projects at adequate rates and yet contribute toward better control over growth in Federal spending, no new construction starts are recommended for 1978.

Legislation is proposed to require user charges on Federal waterways. Under present law, Federal canals, locks, channels, and harbors costing billions to build and about $450 million each year to operate are used free by commercial ships and barges, and by recreationists. Rail, air and other transportation modes are not provided with subsidies of this character or of this proportion of right-of-way costs.

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WATER RESOURCES AND RECREATION CONSTRUCTION PROJECTS IN THE 1978 BUDGET THAT REQUIRE FUTURE BUDGET AUTHORITY

[In millions of dollars]

Program	Budget authority			
	Already approved prior to 1978	Proposed for 1978	Additional needed to complete	Total
Corps of Engineers—Civil:				
Construction, general	10,058	1,491	7,853	19,403
Flood control, Mississippi River and tributaries	2,453	164	3,091	5,708
Department of Agriculture: Soil and Conservation Service	1,881	138	1,558	3,577
Department of the Interior:				
Fish and Wildlife Service—construction and anadromous fish	44	13	33	90
Bureau of Reclamation:				
Colorado River Basin salinity control projects	97	24	354	475
Construction and rehabilitation	5,448	400	5,019	10,867
Colorado River Basin project	393	104	1,178	1,675
Upper Colorado River storage projects	826	81	1,048	1,955
Tennessee Valley Authority (nonpower)	195	61	206	463
Total	**21,395**	**2,476**	**20,340**	**44,213**

Under the proposed legislation, the cost of those waterways would be at least partially paid for by those who use them.

It is proposed that the Water Resources Council not be funded in 1978. The primary functions that the Water Resources Council was created to perform can be better addressed by other means. Legislation is recommended to abolish the Council and transfer the river basin commission activities to the Department of the Interior. It is proposed that the Council's policy function be replaced by a Cabinet level committee to be created by Executive order. Interagency committees will be established as needed to conduct routine technical coordination functions. Water resources planning grants to States would not be funded under this proposal. Since the grant program began in 1965, State planning staffs have increased dramatically so that continued Federal subsidies to stimulate this growth are no longer necessary.

Power programs.—Outlays for power programs are estimated at $0.9 billion in 1977, $1.2 billion in 1978, and $1.0 billion in 1979. These outlays are primarily for the nuclear powerplant construction program of the Tennessee Valley Authority. They also cover the power programs of the Department of the Interior—located mainly in the western region of the Nation—that transmit and market power from Federal hydroelectric projects, primarily to publicly owned distribution systems.

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Conservation and land management.—These programs are to develop and conserve natural resources including wildlife habitat; provide recreation opportunities on national forests and national resource lands; and to encourage conservation efforts, including watershed protection, and development on private lands. Outlays are estimated to decline from $1.5 billion in 1977 to $1.4 billion in 1978 and 1979.

Forest Service.—This bureau administers the National Forest System, conducts a comprehensive forest and range research program and carries out cooperative forestry programs with States and private landowners. Proposed 1978 budget authority for these activities increases by $58 million over the 1977 amount to $1,110 million in 1978. Increases are proposed for several national forest purposes including recreation use, watershed protection, and protection of endangered species. Proposed funding for new timber sales would be maintained at approximately the 1977 level. That level of new sales coupled with the large timber volume sold but uncut is believed sufficient to meet expected demand. The budget also proposes an expansion in research, with much of the increase directed at improving renewable resources evaluation. Proposed budget authority for cooperative forestry programs is maintained at the 1977 level with the exception of grants to States for forest fire control, which are reduced from $20 million in 1977 to $11 million in 1978. These grants now serve primarily to replace State resources. Proposed budget authority for the Youth Conservation Corps is reduced from $30 million in 1977 to $16 million in 1978 reflecting the relatively low priority of this program that by statute cannot be targeted to youths with particular needs for employment.

Competing demands for use of national forests including increased recreation, greater timber production and more rigorous environmental controls, are contributing to the mounting pressures for more spending on these Federal lands. Although these lands are publicly owned, it may be feasible and desirable to manage them on a businesslike basis whereby expenses would be met by receipts generated from sales, and investments would be made on the basis of expected returns. Accordingly, a study is planned to determine the extent to which businesslike procedures can be applied to national forests with programs becoming self-financed.

Bureau of Land Management.—Outlays for this program are proposed to increase from $296 million in 1977 to $315 million in 1978. They would be used to support energy and mineral development both onshore and on the Outer Continental Shelf; to carry out a land use study of the National Petroleum Reserve, Alaska; and to implement the new Bureau of Land Management Organic Act.

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Agriculture conservation program.—The administration is proposing legislation that would reform the program by emphasizing long-term conservation practices and restrict cost sharing to those individuals who are financially in need of such assistance. Under the new legislation, the program would be funded at $90 million annually.

Other conservation and land management.—The Department of Commerce's National Oceanic and Atmospheric Administration proposes to expand its support for the coastal zone management program from $35 million in budget authority in 1977 to $56 million in 1979. This expansion includes the implementation of the new coastal energy impact formula grant program. It is proposed that starting in 1979, Federal assistance to States for the administration of their coastal zone management plans be gradually phased out. This proposal reflects the belief that—after initial Federal assistance—States and their localities will finance the cost of maintaining their coastal zone management plans.

Recreational resources.—Federal programs for recreation include the purchase, development, and operation of parks, wilderness areas, historic sites, wildlife refuges, wild and scenic rivers and other recreation facilities. Total outlays for these programs are estimated to rise from $1.2 billion in 1977 to $1.4 billion in 1978, and $1.5 billion in 1979, largely as a result of several new initiatives.

Bicentennial land heritage.—The President's program will provide $1.5 billion over 10 years to upgrade and maintain the Nation's parks and wildlife refuges. Accordingly, supplemental budget authority of $1.3 billion in 1977 is proposed. It includes $959 million for construction and reconstruction of park and refuge facilities, $20 million for additional staffing of 1,500 employees for the National Park Service and Fish and Wildlife Service, and $141 million for accelerated land acquisition. It also includes $200 million for increased community development block grants to metropolitan localities that may be used for city park rehabilitation. This amount is included in the community and regional development function.

Land and water conservation fund.—This provides grants to States for recreational land acquisition and development, and funds direct Federal purchase of recreational lands. The proposed appropriation for the Land and water conservation fund will be fully funded at $600 million in 1978, double the $300 million level of recent years, and fully funded at $750 million in 1979.

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Operation of recreational resources.—Requested funding for historic preservation grants is also doubled in 1978 over 1977. Proposed budget authority of $35 million for these grants in 1978 is to assist State preservation planning efforts, and State, local or private projects that preserve historic properties.

In 1978 the National Park Service proposes to spend $529 million in outlays for significant increases in park system operations, maintenance and development including funds proposed under the Bicentennial land heritage program. Park Service staffing is to increase by 1,000 in 1977.

The Fish and Wildlife Service manages wildlife refuges; operates fish hatcheries; conducts research on fish and wildlife; and administers the endangered species program. Research to understand, describe, assess and predict the effects of human activities on fish and wildlife are conducted.

Legislation is recommended to increase migratory bird hunting and conservation stamp receipts by $10 million in 1978. The budget assumes the price would be set at $10. The price of the stamp has not been raised since 1972, despite the increased cost of lands necessary to preserve migratory waterfowl populations for which these receipts are used.

Other natural resources.—The activities of the Geological Survey and the National Oceanic and Atmospheric Administration (NOAA) fall within this subfunction. The programs of the Geological Survey include topographic surveys and mapping, geological and mineral resource surveys, and water resources investigations. These activities contribute to the development of energy and other mineral resources.

To launch a major national effort to reduce earthquake risks, proposed outlays by the Geological Survey for earthquake research are being increased $16 million in 1978 to a total of $27 million. The budget provides for an expansion in research toward developing a reliable ability to predict earthquakes and to identify national and regional earthquake hazard areas. Comparable increases for the National Science Foundation earthquake research are discussed in the general science, space, and technology function.

NOAA plans to continue its programs in mapping and charting and in environmental and weather monitoring and prediction. NOAA—in addition to its ongoing marine resources management, development, and conservation activities—is also planning to expand its efforts to preserve marine fishery resources within the recently established 200-mile zone and to protect endangered marine species. Total outlays for the other natural resources subfunction are estimated to rise from $1.0 billion in 1977 to $1.1 billion per year in 1978 and 1979.

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AGRICULTURE

Agricultural programs provide income protection for farmers. In addition, research, technical, economic, and marketing information and services are provided to farmers, processors, distributors, and consumers. Inspection services assure the quality of farm products. Outlays for these programs are estimated to decrease from $2.9 billion in 1977 to $2.3 billion in 1978, and $1.9 billion in 1979, primarily because of lower outlays for farm income stabilization.

Budget Proposals

- Continue successful market-oriented commodity programs and extend them to crops not now covered.
- Expand crop insurance availability and eliminate disaster payments in 1979.
- Establish new Grain Inspection Service in 1977.
- Begin 5-year $150 million competitive basic research grant program to increase agricultural productivity.
- Raise agricultural credit program interest rates to the level of Treasury borrowing costs.

Budget estimates dependent on agricultural production are made on the basis of normal weather, even though the weather is rarely normal everywhere in the world. Additional assumptions used in preparing estimates of commodity program costs include:

- continued strong world demand for U.S. farm products;
- large domestic supplies;
- continued economic growth in the United States; and
- reduced acreage of crops experiencing price weakness.

Farm income stabilization.—Outlays for farm income stabilization are estimated to decrease from $1.8 billion in 1977, to $1.2 billion in 1978, and $0.7 billion in 1979. These estimates include short-term export credit sales of $1.0 billion in 1977 and $750 million in 1978 and 1979; an increase in repayments of export credits; and lower commodity program costs. They also assume the enactment of recommended legislation to eliminate disaster payments and to reduce subsidies for peanuts.

Legislation.—In 1977 the Congress will consider renewal of major farm price support programs for crops harvested in 1978 and beyond. This process provides an opportunity to extend the benefits from recent agricultural policies, a cornerstone of which is to permit our major export crops to be priced competitively in world markets,

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AGRICULTURE [1]

[In millions of dollars]

Program	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
Farm income stabilization:					
Price support and related programs	1,234	1,014	1,820	864	1,044
Proposed legislation	----	----	----	----	−644
Long-term land retirement programs	----	37	21	----	----
National Wool Act	12	45	12	3	3
Sugar Act	----	10	----	----	----
Federal Crop Insurance Corporation	12	15	74	19	18
Agricultural credit insurance fund	165	296	−314	142	152
Administrative expenses and other	164	155	159	161	157
Subtotal, farm income stabilization	1,588	1,574	1,773	1,188	731
Agricultural research and services:					
Research programs	465	352	458	463	462
Extension programs	242	218	241	243	240
Consumer protection, marketing, and regulatory programs	311	256	310	316	335
Economic intelligence	113	91	108	114	115
Other	61	53	60	60	60
Offsetting receipts	−49	−48	−49	−49	−49
Subtotal, agricultural research and services	1,144	921	1,128	1,147	1,163
Other deductions for offsetting receipts	−3	7	−2	−3	−3
Total agriculture	2,729	2,502	2,899	2,333	1,891

[1] Information on budget authority for 1976, 1977, and 1979 and data for the transition quarter are shown in tables 14 and 15 of Part 9.

and to correct those features of current legislation that have proven burdensome to the public and to producers. Agricultural policy goals should be to keep U.S. farm products competitive in world markets, to increase production efficiency, and to assure fair returns to farmers. In order to meet these goals farm programs should:

- rely on the forces of supply and demand;
- rely on private storage activity for purposes of price stabilization;
- avoid Government restrictions on crop production; and
- absorb the risks of severe price declines.

To achieve these ends, the provisions of current legislation that protect the producer against uninsurable price risks as they apply to

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wheat, feed grains, rice, and cotton should be extended. Rice offers an example of what happens when target prices and loan levels are set too high—producer surpluses build up and deficiency payments become a large ($146 million in 1977) and permanent part of the income from that crop.

Legislation is recommended to eliminate disaster payments and to expand crop insurance in 1979. If this recommended legislation is enacted, the increase in outlays for the Federal Crop Insurance Corporation would be substantially less than the decrease in outlays for disaster payments.

A major overhaul of the peanut program, which had outlays of $257 million in 1976, is in order. In this reform particular attention should be given to elimination of the minimum acreage allotment.

U.S. tobacco is now losing out in world markets. An inflexible formula in the law fixes support prices so high that foreign tobacco production is encouraged, domestic production quotas must be cut, and Government stocks of tobacco increase. Authority for the Secretary of Agriculture to adjust tobacco support prices is needed.

Large world supplies of dairy products continue to put pressure on prices. Present U.S. price levels for milk, which are fixed over most of the country by both Federal and State regulations, encourage dairymen to produce surpluses that accumulate in Government inventories. The U.S. Government now has over 386 million pounds of nonfat dry milk in inventory. It is exceedingly difficult to dispose of these surpluses, and impossible to do so without substantial losses. The Government buys nonfat dry milk at 62.4 cents per pound. World market prices are around 16 cents per pound. The dairy price support program requires a careful review by both the Congress and the Executive in order to extract the Government from the present system of perverse incentives without creating havoc with the dairy industry.

Legislation is recommended to increase interest rates for agricultural credit programs from the present 5% statutory ceiling to a rate approximating Treasury borrowing costs. Until this has been accomplished, further growth in credit availability under these programs is not recommended. The present interest rates were established a number of years ago when Treasury borrowing costs were substantially lower.

Agricultural research and services.—Outlays for research, extension, consumer protection, marketing, regulatory, and economic programs are estimated to be $1.1 billion in 1978, up $19 million from

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COMMODITY CREDIT CORPORATION OUTLAYS

[In millions of dollars]

Program or agency	1976 actual	TQ actual	1977 estimate	1978 estimate	1979 estimate
Agriculture:					
Price support operations:					
Disaster payments	287	82	374	404	419
Proposed legislation	-------	-------	-------	-------	−419
Commodity loans	1,081	323	2,168	2,168	2,431
Proposed legislation	-------	-------	-------	-------	−225
Commodity purchases	303	122	730	666	621
Short-term export credit sales	623	336	1,000	750	750
Other price support operation	394	−9	568	527	559
Receipts and adjustments	−1,674	−402	−3,020	−3,651	−3,736
Subtotal, price support operations	1,014	452	1,820	864	400
Other activities	100	−41	64	−47	3
Subtotal	1,114	411	1,884	817	403
International affairs:					
Food for Peace:					
Gross outlays	972	488	1,376	1,404	1,385
Receipts and reimbursements	281	67	287	312	335
Subtotal	691	421	1,089	1,092	1,050
Total CCC outlays	**1,805**	**832**	**2,973**	**1,909**	**1,453**

1977. Much of the increase over 1977 is accounted for by higher pay costs. Among the significant items of outlay increases are:

—$6 million for the beginning of a new 5-year, $150 million basic research program to fund the most innovative and promising proposals related to crop productivity; $28 million to be obligated in 1978;

—$17 million to increase plant and animal disease and pest control programs.

New loan commitments for guaranteed and direct loans of the Farmers Home Administration are estimated to total about $1.7 billion in 1978, a $100 million increase over 1977. Outlays from the agricultural credit insurance fund are projected to rise by about $455 million in 1978, as a result of the one-time sale of loans from the fund's accumulated assets during 1977. Asset sale receipts will not be available in 1978 to offset net loan disbursements.

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MAJOR CREDIT PROGRAMS—AGRICULTURE

[In millions of dollars]

Program	1976 actual	TQ actual	1977 estimate	1978 estimate
Farm income stabilization:				
Commodity Credit Corporation:				
Direct loan disbursements [1]	1,754	675	3,218	2,968
Direct loan repayments	1,576	228	2,196	2,869
Direct loans outstanding, end of period	1,440	1,887	2,851	2,838
Agricultural and emergency credit programs:				
Direct loan disbursements [1]	1,663	362	1,629	1,812
Direct loan repayments [2]	1,467	523	2,079	1,857
Direct loans outstanding, end of period	939	775	315	260
Guaranteed loans outstanding, end of period	5,094	5,483	6,298	7,004

[1] New loans; does not include write-offs of loans, forgiveness credits or other adjustments.
[2] Includes sale of loan assets.

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COMMERCE AND TRANSPORTATION

Programs for commerce and transportation include development and support of several modes of transportation, support of the home mortgage market, subsidies to the Postal Service, aids to business, and regulatory activities. Budget outlays for commerce and transportation programs are estimated to rise from $16.1 billion in 1977 to $19.3 billion in 1978 and $18.6 billion in 1979. Total outlays for this

Budget Proposals

- Seek enactment of air and motor carrier economic regulatory reform legislation and implement rail reform legislation enacted in 1976.
- Support the Consolidated Rail Corporation with loans of $2.1 billion through 1981 to establish self-supporting rail freight service in the Northeast and Midwest.
- Restrain the growth of subsidies for intercity rail passenger service based upon congressionally approved route and service criteria.
- Increase the use of formula grant funds for capital investment in mass transit.
- Expand Coast Guard programs in support of efforts for 200-mile fisheries enforcement, marine safety, and marine environmental protection.
- Conduct a major review of the basis of Federal support to the maritime industry.
- Provide $3.7 billion in direct and guaranteed loans for rural housing programs in 1978.
- Increase homeownership opportunities by reducing downpayment requirements and raising the size of mortgages eligible for FHA mortgage insurance.
- Adopt actuarially sound FHA mortgage insurance premiums and other reforms that encourage the development of private insurers while assuring that creditworthy families have access to FHA mortgage credit.
- Continue efforts to achieve the objective that postal costs are borne by mail users, not the general taxpayer.
- Increase direct loan assistance to small businesses through the Development Company Loan program.
- Increase surety bond guaranty assistance to small contractors.
- Propose business tax incentives to encourage investment.

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function, including off-budget Federal entities, are estimated to rise from $17.7 billion in 1977 to $21.8 billion in 1978 and 1979.

Ground transportation.—Total outlays for ground transportation are estimated at $11.3 billion in both 1978 and 1979, compared with $10.1 billion in 1977.

COMMERCE AND TRANSPORTATION [1]

[In millions of dollars]

Program or agency	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
Ground transportation:					
Highway improvement and construction	6,993	6,477	6,069	7,162	6,944
Traffic and highway safety	236	151	182	224	232
Mass transit	492	1,492	2,146	2,404	2,382
Proposed legislation	------	------	------	−100	------
Railroads	1,828	1,132	1,661	1,545	1,689
Proposed legislation	−100	------	------	------	------
Regulation	62	52	61	63	59
Subtotal, ground transportation	9,511	9,305	10,119	11,298	11,307
Off-budget Federal entity:					
U.S. Railway Association	(-----)	*(52)*	*(298)*	(-----)	*(−103)*
Subtotal, including off-budget	*(9,511)*	*(9,356)*	*(10,417)*	*(11,298)*	*(11,204)*
Air transportation:					
Airways and airports	2,736	2,153	2,417	2,732	2,780
Proposed legislation	−3	------	------	−3	−5
Air carrier subsidies	70	71	77	69	69
Aeronautical research and technology	423	333	349	392	456
Subtotal, air transportation	3,226	2,557	2,843	3,190	3,300
Water transportation:					
Coast Guard	1,336	1,007	1,203	1,331	1,379
Proposed legislation	−1	------	------	−1	------
Shipping	404	551	682	634	457
Subtotal, water transportation	1,740	1,558	1,885	1,964	1,836
Other transportation	90	65	83	85	91
Subtotal, transportation	14,567	13,484	14,930	16,536	16,534
Subtotal, including off-budget	*(14,567)*	*(13,535)*	*(15,228)*	*(16,536)*	*(16,431)*

See footnotes at end of table.

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COMMERCE AND TRANSPORTATION [1]—Continued

[In millions of dollars]

Program or agency	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
Mortgage credit and thrift insurance:					
Department of Housing and Urban Development—mortgage insurance and related programs	1,125	1,799	647	635	188
Department of Agriculture—rural housing programs	328	7	−429	415	517
Federal Deposit Insurance Corporation	.....	−478	−861	−379	−780
Federal Home Loan Bank Board and other	.....	−99	−1,447	−455	−498
Subtotal, mortgage credit and thrift insurance	1,453	1,229	−2,090	217	−573
Off-budget Federal entity—Housing for the elderly or handicapped fund	*(750)*	*(−15)*	*(262)*	*(738)*	*(778)*
Subtotal, including off-budget	*(2,203)*	*(1,215)*	*(−1,828)*	*(954)*	*(205)*
Postal Service:					
Payment to Postal Service	1,472	1,720	2,272	1,472	1,435
Off-budget Federal entity—Postal Service	*(1,815)*	*(1,085)*	*(1,006)*	*(1,815)*	*(2,526)*
Subtotal, including off-budget	*(3,287)*	*(2,805)*	*(3,278)*	*(3,287)*	*(3,961)*
Other advancement and regulation of commerce:					
Technology utilization	184	166	181	183	181
Economic and demographic statistics	136	86	113	130	256
Small business assistance	603	307	393	430	517
Other	347	308	349	350	348
Subtotal, other advancement and regulation of commerce	1,270	867	1,036	1,094	1,302
Deductions for offsetting receipts	−67	−52	−43	−67	−65
Total	18,694	17,248	16,106	19,252	18,632
Total, including off-budget Federal entities	*(19,444)*	*(18,370)*	*(17,671)*	*(21,804)*	*(21,833)*

*$500 thousand or less.

[1] Information on budget authority for 1976, 1977, and 1979, and data for the transition quarter are shown in tables 14 and 15 of Part 9.

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Highways.—Proposed outlays for *highway improvement and construction* increase from $6.1 billion in 1977 to $7.2 billion in 1978, the highest level to date, and then decline to $6.9 billion in 1979. A $6.5 billion obligation ceiling is proposed for the *Federal-aid* highways program in 1978. This ceiling moderately expands the average obligation level of $6.1 billion estimated to be achieved in 1976 and 1977 and recognizes that States continue to require substantial, stable Federal assistance in order to permit orderly planning and phased construction of interstate and other highways. Without a $6.5 billion obligation ceiling, more than $5 billion of previously authorized highway funds would be released. Such funds probably could not be utilized by the States, based on recent yearly obligation trends (e.g., in calendar year 1976, States obligated $6.0 billion Federal-aid highway program funds). If the additional funds were obligated, it would only accentuate the financial "peaks and valleys" that have plagued the highway construction industry in recent years. A highway bill is planned for submission in calendar year 1977 to authorize 1979 highway programs.

Mass transit.—Proposed outlays for *mass transit* programs total $2.3 billion in 1978, a 7% increase over 1977 and a 54% increase over 1976. The 1977 and 1978 increases are attributable to emphasis by local governments on operating subsidy grants and more transfers of Interstate highway funds to mass transit projects. Estimated total outlays in 1979 should not increase significantly.

The budget proposes to limit the portion of transit formula grants that may be used for operating subsidies in 1978 and future years to 80% of new allocations. This proposal would foster capital investment and replacement, and encourage greater productivity and other restraint in operating costs.

The budget reflects a Federal ceiling of $4.7 billion for the Washington, D.C., Metro, which began service on a limited segment in 1976. Major transit projects supported by the Federal Government are fully funded with current authorizations, consistent with Government-wide practice for large public works projects. Current authorizations for mass transit are expected to be exhausted during 1979 due to full-funding requirements, and will require an additional $1.1 billion in budget authority to permit the transit discretionary grant program to be funded at an annual level of $1.25 billion through 1980. Recent studies indicate that predicted costs and effectiveness of new rapid rail projects will not be achieved. The budget assumes that no new costly heavy rapid rail projects will be initiated through 1979 to permit experience to be gained as projects under construction begin operations.

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Railroads.—Outlays for *railroad* programs are estimated to increase from $1.1 billion in 1976 to $1.7 billion in 1979. Comprehensive rail legislation, enacted in 1976, forms the basis for temporary Federal support of the Nation's rail freight system. By 1981, the Consolidated Rail Corporation (ConRail), created from six bankrupt railroads in the Northeast and Midwest, will have received an estimated $2.1 billion in loans to help ConRail establish self-supporting rail service in those parts of the country. In addition, other freight railroads are expected to receive direct and guaranteed loans totaling $970 million through 1978, of which at least $170 million is to aid necessary mergers and consolidations of the Nation's rail network.

Assistance to rail passenger service takes the form of a subsidy to the National Railroad Passenger Corporation (Amtrak) and a rail construction program for the Northeast. The 1978 request for Amtrak establishes a new standard for Federal assistance to the corporation. Rather than meet Amtrak's operating deficit, regardless of its size, the proposed operating subsidy for 1978 and subsequent years is being held to the same level as in 1977. It is expected that Amtrak, with the Department of Transportation, will implement this policy through extensive use of route and service criteria recently approved by Congress and subject several routes to discontinuation action in calendar year 1977. In addition, construction is scheduled to start in 1978 along the 457-mile rail corridor from Washington to Boston. This project will rehabilitate track that was allowed to deteriorate by the bankrupt railroads along the Northeast corridor. The 1978 request for the corridor is $400 million; some 123% higher than in 1977.

In addition to administering the support programs to ConRail, the United States Railway Association (USRA) has one off-budget activity. USRA is authorized to borrow funds to make loans to railroads involved in the restructuring of bankrupt lines in the Northeast and to defray the preconveyance obligations of ConRail. The aggregate of outstanding obligations is limited to $395 million at any one time. It is expected that this ceiling will be reached during 1977 and that repayment will begin during 1978.

Regulation.—Outlays for motor and rail regulatory activities are estimated to be $63 million in 1978, up from $61 million in 1977. Recently enacted rail regulatory reform legislation provides for significant reforms in ratemaking, and moves toward streamlining and updating antiquated regulatory procedures. To continue the regulatory reform effort, motor carrier legislation is planned in calendar year 1977. The objective would be to modernize motor carrier transportation regulations through more flexible ratemaking, more

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liberal market entry provisions, less regulatory lag, and increased competition. In addition to changing the legislative basis for regulalation, the budget assumes that the regulatory agencies will undertake program evaluation designed to improve the effectiveness of necessary regulations.

Air transportation.—Total outlays for air transportation are estimated at $3.2 billion in 1978 and $3.3 billion in 1979, compared with $2.8 billion in 1977.

The Federal Aviation Administration's budget includes funds for additional air traffic controllers to accommodate the expected growth in aviation activity. Funding for additional system maintenance technicians is requested to support the forecasted expansion in the number of facilities and equipment placements. A new program to obtain modern flight simulators for training inspectors and flight crews is expected to result in more rapid training and aircraft fuel conservation.

Initial funding is requested in 1978 to replace, relocate, and improve very high frequency (VHF) radio range systems which are used for enroute navigation and airport approaches. The 1978 budget also includes funds to emphasize research and development activities where: (1) new technology has a role in the near term resolution of safety problems, (2) Congress and/or the administration has highlighted the need for continued development (for example, windshear research and microwave landing systems), or (3) the United States has made a commitment to support international research projects.

The National Aeronautics and Space Administration (NASA) plans to spend nearly $400 million in 1978 on its program of research and development to improve aircraft performance, reliability, and safety, and to reduce aircraft energy requirements and noise and exhaust pollution. The 1978 budget continues funding for the construction and modification of two large aeronautical test facilities, initiated in 1977, and for the development of technology for more fuel-efficient air transports for civilian and military applications.

Air carrier regulatory reform is expected to be actively considered by Congress. Concurrently, the 1978 budget request for the Civil Aeronautics Board focuses on management reforms of air carrier regulation through modernization of procedures and liberalization of overly restrictive regulations.

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Water transportation.—Total outlays for water transportation are expected to be $1.9 billion in 1977, $2.0 billion in 1978 and $1.8 billion in 1979. Estimated Federal ocean shipping outlays of $634 million in 1978 compare to $682 million in 1977. These outlays are primarily directed to subsidizing the construction and operation of U.S.-flag ships that participate in the foreign trade of the United States. A major study of the basis of Federal support of U.S.-flag shipping is proposed.

Proposed Coast Guard outlays of $1.3 billion in 1978 reflect a continuing emphasis on renovation and replacement of major operating equipment, while continuing activities for search and rescue, marine pollution control, provision of marine navigation facilities, and enforcement of U.S. laws and treaties. In addition, the 1978 operating programs are being expanded to support 200-mile fisheries enforcement, marine safety, and marine environmental protection.

Mortgage credit and thrift insurance.—The availability of credit at reasonable interest rates is particularly important to potential homebuyers since very few of them can pay for homes out of their own pockets at the time of purchase. Consequently, the degree to which the mortgage market functions smoothly and makes mortgage credit available at affordable interest rates exerts a heavy influence on the demand—and therefore on the production of—housing.

The most important actions that the Federal Government can take to encourage housing production are to pursue fiscal and monetary policies that are consistent with a sound environment for the provision of mortgage credit and for increases in real incomes. To the extent that an overly expansionary fiscal policy or an excessively restrictive monetary policy limit the supply of credit, interest rates may increase and the supply of funds to mortgage markets will be restricted. Moreover, if these fiscal and monetary policies increase inflationary pressures the potential homebuyer will be less able to afford to purchase and maintain a house, thereby decreasing the number of families who can become homeowners. During the past year, under the administration's proposed economic policies and the monetary policies of the Federal Reserve, the supply of credit for housing has improved. Mortgage interest rates have subsided somewhat, funds have flowed into residential investment institutions at a record rate, and the rate of increase in housing costs has slowed considerably.

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The administration has also taken specific actions to reduce the cost of housing credit in certain situations. During calendar year 1976, the Secretary of Housing and Urban Development (HUD) authorized the *Government National Mortgage Association* (GNMA) to make commitments to buy $5.0 billion in mortgages covering new multifamily housing and bearing interest rates below prevailing market levels. This will facilitate the development of an estimated 200,000 housing units. Mortgages purchased under the program will be resold as market conditions permit, with GNMA absorbing the loss. Losses resulting from GNMA's mortgage purchase activities are estimated to be $162 million in 1977, $257 million in 1978, and $260 million in 1979. Since the upturn in both single-family and multifamily housing starts is expected to continue and conditions in the mortgage market have stabilized, temporary mortgage purchase programs should not be needed in 1978 and 1979.

A succession of shortrun measures designed to combat temporary dislocations in financial markets cannot assure the availability of adequate housing credit in the future. In addition to sound fiscal and monetary policies, a basic reform of the financial system is essential if the Nation's housing objectives are to be met. Such reform would enable financial institutions to compete more effectively for savings by removing restrictions on the interest rates these institutions may pay depositors and on the types of investments they may make.

The *Federal Housing Administration* (FHA) provides mortgage insurance for those families who should be able to fulfill the obligations accompanying a mortgage loan, but who are not adequately served by the private market. The President has proposed that FHA downpayment and mortgage limit provisions be changed to bring homeownership within the reach of a larger number of families. Insurance for mortgages with graduated payment schedules will be made available on an accelerated basis. These mortgages, which require lower initial monthly payments, will assist young, first-time homebuyers.

Based on a major study of FHA, the administration is proposing several changes in FHA's mortgage insurance programs to make them complement the services offered by private mortgage insurers. Within current law, insurance premiums will be adjusted to actuarially sound levels. In addition, mortgage insurance will no longer be written under section 221(d)(2) (low and moderate income) and section 223(e) (older, declining areas) of the National Housing Act. Creditworthy families who otherwise would purchase homes under these two programs will be eligible for mortgage insurance under the basic homeownership program.

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These improvements in management of FHA programs ultimately will reduce outlays from currently high levels. Heavy default rates experienced under some mortgage insurance programs—particularly those serving lower income families and older, declining areas—contributed to the FHA's net outlays of $1.2 billion in 1976. To reduce defaults and the dislocations that often accompany them, additional subsidies under the section 8 rental assistance program (discussed in the Income Security function) will be available to federally insured multifamily projects experiencing severe financial problems. As a result, FHA's outlays are estimated to decline from $1.0 billion in 1977 to $0.7 billion in 1979.

Most of the Federal Government's support for housing does not appear in the budget. *Government-sponsored enterprises*, such as the Federal National Mortgage Association and the Federal Home Loan Banks, are excluded from the budget because they are privately owned. These enterprises supplied $1.3 billion for housing in 1976—about 2.5% of the net increase in residential mortgage credit. Federal loan guarantees provided by HUD, the Veterans Administration, and the Department of Agriculture support housing on a large scale ($171 billion outstanding in 1976), but do not generate budget outlays unless defaults occur.

Section 202 loans to finance housing projects serving elderly or handicapped persons are excluded from the budget totals by statute, although they are financed in the same way as other Federal loan programs that are included in the budget. Legislation is proposed to end this anomaly and include the section 202 program in the 1979 budget. The 1978 budget provides for $750 million in new loan commitments for these projects.

The *Farmers Home Administration* provides direct and guaranteed loan housing assistance in rural communities of less than 20,000 population. In 1978, as in 1977, a planned $3.7 billion loan level will assist more than 175,000 housing units. More than 80% of these units are assisted through homeownership loans for new construction, purchase of existing units and rehabilitation of existing units. The remaining units are rental properties, primarily for lower income families. Many of these rental units will also be eligible for assistance under the HUD section 8 rental assistance program to aid lower-income families, including farm laborers.

More than half of all units assisted by Farmers Home Administration programs will receive subsidized loans targeted toward lower income families. About 40% of the unsubsidized units will be assisted by loan guarantees rather than direct loans. Nonrecurring 1977 asset

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sales of nearly $750 million from the revolving fund that finances these farmers home housing loans are the largest single factor responsible for a 1978 outlay increase of over $840 million from 1977.

The budget contemplates termination of several small Farmers Home Administration housing grant programs—mutual- and self-help housing grants, farm labor housing grants, and very low-income housing repair grants—since there are alternative sources of Federal assistance available for these purposes.

Outlays by the *Federal Deposit Insurance Corporation* (*FDIC*) are estimated to increase by $482 million from 1977 to 1978. It is anticipated that in 1978 the FDIC will repay the Federal Reserve Bank of New York the indebtedness resulting from the recent closing of the Franklin National Bank. Outlays are estimated to return to normal levels in 1979.

An important *tax expenditure* that aids property owners is the deduction of interest on home mortgages and local real estate taxes. These provisions are estimated to reduce receipts by $10.2 billion in 1978.

Postal Service.—The 1970 Postal Reorganization Act established the U.S. Postal Service as an independent Government-owned corporation. The general operations of the Postal Service are excluded from Federal budget totals, with the exception of Federal subsidy payments. These payments, estimated to be $1.5 billion in 1978 and $1.4 billion in 1979, cover liabilities of the former Post Office Department for earned and unused annual leave and for compensation to disabled employees, public service costs, and revenue foregone for carrying certain classes of mail at free and reduced rates. The recommended revenue foregone subsidy for 1978 and 1979 follows the schedule that was established in the 1970 act for transition to full-cost rates for certain second, third, and fourth class mail. The budget does not include additional subsidies to extend the schedule.[1]

The budget reflects the recently enacted Postal Reorganization Act Amendments of 1976 (Public Law 94–421). This act created a Commission on Postal Service to study the problems of the Service and report recommended solutions to the President and the Congress by March 15, 1977. The amendments also authorized $1 billion to reduce the Postal Service's accumulated operating indebtedness. $500 million was provided in the transition quarter and $500 million is requested for 1977 for this purpose.

[1] Section 3 of Public Law 93–328 provides that the budget shall also include separate statements of the amounts that the Postal Service requests to be appropriated for public service costs and carrying certain classes of mail at free and reduced rates. The Postal Service's request would extend the subsidy schedule at an added cost of $223 million in 1978 and $157 million in 1979. These amounts are shown in greater detail on page 762 of the Budget Appendix. The President's budget does not recommend funding for this extension.

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The 1978 outlay request represents a decline from the estimated $2.3 billion in outlays for 1977 primarily because of the phased transition to full-cost rates and the decision not to request funding for the extended phasing of these rates. The total request for 1978 and 1979 continues the existing policy that postal costs should be borne by the mail users and not the general taxpayer. The off-budget outlays of the U.S. Postal Service reflect the net difference between gross postal expenditures and gross postal receipts.

Other advancement and regulation of commerce.—Many Federal programs provide technical assistance to and promote the development of new businesses. Other programs provide oversight of the economy and business to assure fair and equal practices and opportunities.

In 1978, the *Small Business Administration* (*SBA*) will provide an estimated $295 million in direct business loans. Direct loan assistance to small businesses through the Development Company loan program will be expanded from an estimated $35 million in 1977 to $45 million in 1978. In addition, an estimated $2.2 billion of loan guarantees will be provided in 1978 and is expected to aid an estimated 28,500 small businesses. The SBA proposes to increase surety bond guarantees from $848 million in 1977 to an estimated level of $900 million in 1978. These guarantees aid small contractors in obtaining public and private contracts. All SBA nondisaster related programs will result in estimated budget outlays of $517 million in 1979, a 20% increase over 1978.

Increases in budget authority and outlays for 1979 are proposed for economic and demographic statistics, primarily for the Bureau of the Census in preparation for the 1980 Census of Population and Housing. Special Analysis G, "Principal Federal Statistical Programs" provides additional information.

Tax expenditures.—The Federal Government also aids businesses through several tax expenditures. Current tax law provides temporary reduced rates on the first $50 thousand of profits. Although these rates assist all businesses and corporations, the small business is especially aided since the level of profits covered by the tax expenditure is a much higher portion of total profits than is the case with larger businesses. Estimated revenue losses to the Government, under current law, are $4.2 billion in 1978. The President has proposed that the temporary provisions of the Tax Reform Act of 1976 affecting the tax on the first $50 thousand corporate income be made permanent.

Credits for new investment are provided to businesses and individuals to offset their tax liabilities. This tax expenditure results in an estimated revenue loss of $11.9 billion in 1978. In addition, income

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from investment—long-term capital gains—is taxed at reduced rates. Associated revenue losses resulting from this provision of tax law will result in an estimated loss of $8.8 billion in 1978. The President has proposed a permanent extension of the increase in the investment tax credit from 7% to 10%. The temporary increase would otherwise expire on December 31, 1980. These and other tax proposals that would contribute to the improvement and growth of private sector business are discussed in Part 4, Budget Receipts.

MAJOR CREDIT PROGRAMS—COMMERCE AND TRANSPORTATION

(In millions of dollars)

Agency and program	1976 actual	TQ actual	1977 estimate	1978 estimate
Department of Transportation—railroad programs:				
Direct loan disbursements [1]	*	--------	36	86
Direct loans outstanding, end of period	26	26	62	147
Guaranteed loans outstanding, end of period	755	808	1,179	1,692
U.S. Railway Association:				
Direct loan disbursements [1]	309	--------	600	500
Direct loans outstanding, end of period	309	309	909	1,409
Off-budget Federal entity—U.S. Railway Association:				
Direct loan disbursements	*375*	*11*	*298*	--------
Direct loan repayments	*323*	*	--------	--------
Direct loans outstanding, end of period	*85*	*97*	*394*	*394*
Department of Commerce—maritime programs:				
Guaranteed loans outstanding, end of period	3,431	3,591	4,435	5,260
Department of Housing and Urban Development—mortgage insurance:				
Direct loan disbursements [1]	8,671	1,249	2,120	2,952
Direct loan repayments [2]	7,668	1,666	1,876	2,654
Direct loan outstanding, end of period	8,691	8,127	7,990	7,819
Guaranteed loans outstanding, end of period	114,598	116,390	128,250	143,297
Off-budget Federal entity—Housing for the elderly or handicapped fund:				
Direct loan disbursements [1]	*	--------	*274*	*750*
Direct loan repayments [2]	*5*	*1*	*7*	*7*
Direct loans outstanding, end of period	*509*	*507*	*774*	*1,518*
Department of Agriculture—rural housing:				
Direct loan disbursements [1]	2,994	908	4,447	3,929
Direct loan repayments [2]	3,105	368	5,101	3,910
Direct loans outstanding, end of period	689	1,225	479	460
Guaranteed loans outstanding, end of period	10,610	10,506	13,784	16,515
Small Business Administration—business loan and investment fund:				
Direct loan disbursements [1]	474	118	552	469
Direct loan repayments [2]	401	50	341	209
Direct loans outstanding, end of period	1,680	1,718	1,930	2,190
Guaranteed loans outstanding, end of period	4,979	5,096	5,812	6,174

*Less than $500 thousand.
[1] New loans: Does not include write-offs of loans, forgiveness credits, or other adjustments.
[2] Includes sale of loan assets.

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COMMUNITY AND REGIONAL DEVELOPMENT

Assistance directed toward preservation and revitalization of the Nation's communities and regions is a major undertaking of the Federal Government. Federal activities discussed in this function take the form of assistance to State and local governments for the construction of public facilities, the provision of public services, and the encouragement of economic development. Assistance to communities and individuals to alleviate the effects of floods and other natural disasters is also included in this function.

Budget Proposals

- Provide budget authority of $3.5 billion for community development block grants in 1978, in support of local community planning and development activities.
- Begin redevelopment of Pennsylvania Avenue in the Nation's capital.
- Establish the new coastal energy impact program in 1977 to provide Federal loans and loan guarantees, totaling $413 million by the end of 1979, to States and localities affected by coastal energy development activities.
- Increase the number of communities in which federally subsidized flood insurance is available to 17,000 by the end of 1978.

The Federal Government's impact on community and regional development is not limited to activities discussed in this function. Many programs classified in other functions help promote the social and economic development of the Nation's States and localities. These programs include Federal support for: highways, mass transit, and airport construction and maintenance; flood protection, irrigation, agricultural land drainage, navigation, and hydropower projects; pollution control projects; housing credit; local health, education, crime prevention, employment training, and recreation activities; and general revenue sharing. Other direct Federal activities, such as defense contracting and management of public forests and parks, also have a significant impact on community development.

Outlays for community and regional development programs covered in this function are estimated to increase from $7.7 billion in 1977 to $7.9 billion in 1978, and then decline to $7.1 billion in 1979 as spending under terminated or one-time programs drops off. Including off-budget Federal entities, outlays are estimated to increase from $7.8 billion in 1977 to $8.0 billion in 1978, and fall to $7.2 billion in 1979.

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COMMUNITY AND REGIONAL DEVELOPMENT [1]

[In millions of dollars]

Program or agency	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
Community development:					
Dept. of Housing and Urban Development:					
Community development block grants	3,500	983	2,262	3,112	3,365
Categorical programs replaced by community development block grants	13	1,451	1,169	691	373
Research and planning	85	148	159	123	89
Departmental management and other	214	159	279	218	208
Dept. of Agric.: Water and sewer grants	50	75	163	199	159
District of Columbia	161	116	176	176	127
Pennsylvania Avenue development	21	1	24	26	33
ACTION	95	108	110	97	87
Community Services Administration	398	462	528	448	396
Other	16	24	22	22	17
Subtotal, community development	4,554	3,527	4,892	5,112	4,854
Area and regional development:					
Department of Agriculture	352	238	247	301	308
Department of Commerce:					
Local public works	3	-------	800	803	202
Coastal energy impact	143	-------	51	80	120
Other	317	378	396	386	389
Indian programs	778	564	687	712	740
Appalachian programs	304	325	334	332	331
Offsetting receipts and other	−276	−238	−276	−276	−311
Subtotal, area and regional	1,622	1,266	2,240	2,339	1,779
Off-budget Federal entity: Rural Telephone Bank	*(125)*	*(93)*	*(95)*	*(92)*	*(89)*
Subtotal, including off-budget	*(1,747)*	*(1,360)*	*(2,334)*	*(2,431)*	*(1,868)*
Disaster relief and insurance:					
Department of Housing and Urban Development: Flood insurance and other	118	90	173	211	265
Disaster relief	150	291	300	150	150
Small Business Administration disaster loans	20	129	108	81	93
Department of Agriculture	10	11	15	15	12
Subtotal, disaster relief and insurance	298	522	596	457	520
Other deductions for offsetting receipts	−39	−15	−33	−39	−42
Total	**6,434**	**5,300**	**7,695**	**7,868**	**7,111**
Total, including off-budget	*(6,559)*	*(5,393)*	*(7,789)*	*(7,960)*	*(7,200)*

[1] Information on budget authority for 1976, 1977, and 1979, and data for the transition quarter are shown in tables 14 and 15 of Part 9.

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Community development.—Community development programs provide Federal grants, loans, and technical assistance to States and localities in support of locally determined planning and development programs. Outlays for community development are estimated to increase from $4.9 billion in 1977 to $5.1 billion in 1978, and decline to $4.9 billion in 1979. Most of the reduction is due to the decline in spending from programs replaced in 1975, even though outlays for block grants are increasing.

Department of Housing and Urban Development.—The *community development block grant program,* established in 1975, provides a flexible system of Federal assistance to be used for activities developed by local governments based on local priorities. Activities funded under this program include property acquisition, construction of public facilities, rehabilitation of buildings, provision of social services, and planning and management. The budget assumes that legislation will be enacted to extend this program beyond 1977. Funds will continue to be allocated by formula on the basis of objective measures of need. However, for 1978, it is proposed that a dual-formula allocation system be adopted. Metropolitan cities would be given the choice of receiving their allotments based on either of two formulas: the current formula, composed of poverty (50%), population (25%), and overcrowded housing (25%); or an alternative formula, composed of poverty (30%), loss of population from 1960–1973 (20%), and age of housing stock (50%). The alternative formula is designed to address the problems of physical deterioration in older urban areas not addressed by the original formula. Also, in 1978, in order to increase the States' role in this program, legislation is recommended to give the States responsibility for the disbursement of all funds available for nonmetropolitan communities. This would allow States to coordinate their own development activities with those supported by block grants, resulting in more effective use of funds and improved community development.

The proposed level of new commitments under the block grant program in 1978 is $3.5 billion, $1.2 billion above the highest level achieved under the seven categorical programs replaced with block grants. Outlays reflect the rate at which State and local governments carry out their projects and are expected to increase from $2.3 billion in 1977 to $3.1 billion in 1978 and $3.4 billion in 1979.

Outlays for categorical programs replaced by block grants will continue to decrease as approved projects are completed. Loan disbursements from prior commitments under these categorical programs will also continue for several years.

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The *comprehensive planning program* provides funds to States, local governments, and areawide organizations for planning and management activities. Because the community development block grant program also provides funds to local governments that can be used for these activities, a reduction in the amount of categorical support for planning is being proposed. In 1978, block grant recipients are expected to use about $100 million for the kind of activities supported by the comprehensive planning program. Outlays for the categorical comprehensive planning program are estimated to decline from $100 million in 1977 to $63 million in 1978 and $29 million in 1979.

The *research* program of the Department of Housing and Urban Development supports the search for solutions to community development and housing problems. A major activity scheduled for 1977 is an evaluation of the Section 8 Housing Assistance program. The 1978 research program also provides for analysis of such topics as property disposition, neighborhood preservation and the management of local governments. Outlays for these and other research projects are estimated to increase from $59 million in 1977 to $60 million in 1978 and 1979.

Department of Agriculture.—The budget proposes $50 million in new budget authority in 1978 for the Department of Agriculture's *water and sewer grants*, primarily for assisting in the development of water supply facilities. The budget authority requested for 1978 is $150 million below 1977 which reflects the increasing availability of grant assistance for these types of activities from the Department of Housing and Urban Development. In addition, the Environmental Protection Agency (EPA) provides grants for the construction of waste treatment facilities in both urban and rural areas, although water supply facilities are ineligible for EPA grants, and legislation is proposed to eliminate eligibility for collection systems. Outlays for these programs in the Department of Agriculture are estimated to increase from $163 million in 1977 to $199 million in 1978 largely due to prior-year commitments, and then decrease to $159 million in 1979.

District of Columbia.—The Federal Government lends funds to the District of Columbia for capital projects that cannot be financed by the municipal borrowing authority provided by the Home Rule Act. Outlays are estimated to be $176 million for such projects in both 1977 and 1978 and decline to $127 million in 1979. (See the revenue sharing and general purpose fiscal assistance function for additional aid to the District of Columbia.)

Pennsylvania Avenue development.—The budget requests a supplemental appropriation of $29 million for 1977 and an additional $21 million in 1978 to begin the revitalization of downtown Washington,

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D.C., envisioned in the 14-year Pennsylvania Avenue development plan approved by the Congress in May 1975. Development will take place under the direction of the Pennsylvania Avenue Development Corporation, in cooperation with private enterprise. Outlays for land acquisition and development activities are estimated to be $26 million in 1978 and $33 million in 1979.

ACTION.—Domestic volunteer programs in this agency include Volunteers in Service to America (VISTA), University Year for ACTION (UYA), older Americans volunteer programs, and a broad range of special volunteer programs. Most of the volunteers work on projects designed and operated by local organizations to meet the needs of the disadvantaged in their communities. Where possible, local financial support is sought. It is proposed that 1978 mark the phaseout of the VISTA program and the beginning of the phaseout of the UYA. Volunteers in these programs have been working in communities for several years, sufficient time to demonstrate the value of these volunteer programs. Communities that wish to continue them should be willing to bear the cost. This is especially true because volunteers are substantially cheaper to use then regular employees. The budget proposes that the older American volunteer program continue in 1978 and 1979 to support the number of volunteers expected to be on the rolls at the end of 1977. Outlays for ACTION's domestic programs are estimated to decrease from $110 million in 1977 to $97 million in 1978 and $87 million in 1979.

Community Services Administration (CSA).—This organization primarily funds community action agencies, which administer service programs for the poor. CSA, however, provides only a small share of the total Federal assistance to community action agencies, which receive substantial support for Head Start, employment training, housing, and job opportunities from other Federal agencies. State and local organizations must match CSA funds. For 1978, non-Federal matching requirements will be maintained at 1977 levels—40% for larger grantees and 30% for smaller grantees. The 1978 budget strengthens community action agencies as a delivery system of Federal assistance to the poor by increasing technical assistance, demonstration efforts, and evaluation, while eliminating CSA administered categorical programs that duplicate the authority of larger Federal programs. These categorical programs deal with energy conservation, elderly services, and feeding and nutrition activities, which are also covered by more comprehensive FEA home weatherization, HEW Administration on Aging, and Agriculture food stamp and nutrition programs. For 1978, budget authority of $398 million is requested for CSA, $114 million less than in 1977. In 1978, $330 million, the

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same level as in 1977, is requested for the local initiative program which provides programmatic and administrative flexibility for community action agencies. Outlays for CSA in this function are estimated to decrease from $528 million in 1977 to $448 million in 1978 and $396 million in 1979.

Other.—Legislation is recommended to reorganize the Federal Government's planning responsibilities for the Nation's Capital, in order to improve the coordination and public awareness of all federally sponsored development activities. This legislation would provide for the restructuring of the National Capital Planning Commission and the elimination of unnecessary Federal involvement in local planning matters.

Area and regional development.—Programs in this category provide support primarily for rural development, American Indian tribal governments, and Appalachian development. Budget outlays for area and regional development are estimated to increase from $2.2 billion in 1977 to $2.3 billion in 1978 and then decline to $1.8 billion in 1979, as temporary public works programs are phased out. Total outlays, including the off-budget Rural Telephone Bank, are estimated to be $2.4 billion in 1978 and $1.9 billion in 1979.

Department of Agriculture.—The Farmers Home Administration (FmHA) provides loans for business and industrial development in communities of less than 50,000 population, and loans and grants for community facilities (including water and sewer projects) in communities of less than 10,000 population. Many of these communities also receive Federal assistance under the community development block grant program, as well as under other programs aimed at rural development. New loan commitments of nearly $1.2 billion are proposed for 1978. The termination of two small grant programs—rural development grants and rural community fire protection grants—is proposed because there are similar alternative sources of Federal assistance available from the Department of Agriculture as well as from several other agencies.

Outlays for FmHA area and regional development programs are estimated to be $301 million in 1978, a $54 million increase over 1977, and $308 million in 1979. The increase in outlays is due largely to steadily increasing interest subsidy costs under the loan programs. The present interest rates were established a number of years ago when Treasury borrowing costs were substantially lower. In order to bring this growth in interest subsidy under control, it is recommended that interest rates for community facility loans be increased from the present 5% statutory ceiling to a rate approximating Treasury borrowing costs.

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The Rural Telephone Bank (RTB), an off-budget Federal entity, provides direct loans to borrowers eligible under the Rural Electrification Act. Proposed new loan commitments of $160 million in 1978, with other funds from the Rural Electrification Administration and the Rural electrification and telephone revolving fund, should meet the capital needs of the borrowers for furnishing and improving telephone service in rural areas. While the RTB makes funds available at subsidized interest rates (currently 7% per annum), the subsidy is not as great as that provided through the Rural electrification and telephone revolving fund. The loans, advances, budget authority and outlays of the RTB are excluded from the budget by statute. Legislation is proposed to include this and other off-budget Federal entities in the budget beginning in 1979. Net outlays of the RTB are estimated to be $92 million in 1978 and $89 million in 1979.

Department of Commerce.—The Economic Development Administration (EDA) and the Regional Action Planning Commissions provide assistance to economically depressed areas and assist States and communities in dealing with regional economic problems. In 1978, assistance will continue to be provided through existing EDA programs. The outlays from the $2 billion local public works program enacted in 1976 reduces the need for EDA's regular public works program. Therefore, proposed budget authority for this purpose decreases from $166 million in 1977 to $75 million in 1978. Estimated outlays for the temporary local public works program are $800 million in 1977, $803 million in 1978, $202 million in 1979, and $205 million in later years. No budget authority is requested in 1978 for the counter-cyclical job opportunities program (discussed in the education, training, employment and social services function) or the temporary local public works program, except for necessary administrative expenses. The Administration believes that the job opportunities program and the local public works program are inappropriate means of stimulating increased employment. The jobs created are temporary in nature and the projects and services provided are not necessarily those that are high on the list of priorities of the ordinary citizen. In contrast, the tax cuts recommended by the Administration would improve incentives to work and to invest and would provide permanent employment that provides the goods and services valued most highly by the individual taxpayer.

Proposed budget authority for technical assistance activities and administrative costs of Regional Action Planning Commissions in 1978 is at the 1977 level of $40 million. The 1978 request includes $2

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million for two new regional commissions. No budget authority is requested for supplemental grants in 1978.

Funds are requested for the new *coastal energy impact program*, authorized by the Congress in July 1976. Federal loans and loan guarantees are to be provided to States and local governments, beginning in 1977, to assist them in financing additional public facilities and expanded services required as a result of coastal energy development activities, such as Outer Continental Shelf (OCS) oil development. Assistance is to be allocated to States on the basis of anticipated energy-related new employment, population growth, and the estimated unit cost for new or expanded infrastructure. For 1977 through 1979, a total of more than $400 million in Federal loans and loan guarantees is proposed to be made available. Outlays are estimated to rise from $51 million in 1977 to $80 million in 1978 and $120 million in 1979.

Indian programs.—The major objectives of Federal Indian policy are to meet the trusteeship responsibilities of the U.S. Government, to increase self-determination for American Indian tribal governments and to encourage economic development on Indian reservations. To further these objectives, the Indian Self-Determination and Education Assistance Act of 1975 explicitly enables Indian communities to administer Federal programs serving them, pursuant to contracts with the Bureau of Indian Affairs (BIA). The budget proposes continuation of grants, training, and technical assistance that serve to strengthen tribal management and planning abilities and calls for new efforts to evaluate BIA programs at the local level. Economic development efforts are also assisted by BIA in the form of business development assistance, direct Federal loans, and interest subsidies. The budget proposes a major increase in budget authority in 1978 for irrigation construction related to agricultural development objectives and municipal water and power needs on selected reservations. Indian trust funds are also included in this function, and they account for approximately 25% of the outlays associated with Indian programs in this function. Outlays for the Indian programs in this subfunction are estimated to rise from $687 million in 1977 to $712 million in 1978 and $740 million in 1979. Additional assistance to Indian tribes is classified in other programs in this function as well as in the health; education, training, employment and social services; income security; natural resources, environment, and energy; and general government functions.

Appalachian programs.—The Appalachian Regional Commission (ARC) provides a Federal-State decisionmaking mechanism in which 13 Appalachian States, from Mississippi to New York, and the Federal Government jointly work to promote the economic development of

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the region. The 1978 budget places increased emphasis on construction of the Appalachian development highway system, which involves corridor highways as well as access roads. To partially compensate for the increased highway program, the 1978 appropriations requested for nonhighway programs are reduced, reflecting the Commission's relative priorities. Outlays for Appalachian development under the auspices of the ARC are estimated to decline slightly from $334 million in 1977 to $331 million in 1979.

Tax expenditures.—A tax incentive is proposed for new investments in areas of high unemployment. This would encourage private sector jobs and construction of new facilities or expansion of old facilities in labor market areas where unemployment is 7% or more. Accelerated depreciation would be allowed for nonresidential buildings and capital equipment projects begun during calendar year 1977 and completed within 36 months. This new tax expenditure would result in a revenue loss of $205 million in 1978.

Disaster relief and insurance.—Insurance against losses from such natural disasters as floods, hurricanes, and tornadoes is the responsibility of individuals and businesses, with State and local governments primarily responsible for aiding recovery. Federal insurance and disaster relief are available to supplement these resources when they are insufficient. Outlays for disaster relief and insurance are estimated to be $457 million in 1978 and $520 million in 1979.

National flood insurance.—This program is designed to reduce the economic hardship resulting from floods. Flood insurance is available on structures in communities with flood hazard areas that are willing to take flood protection actions. Under the program, insurance is provided at rates subsidized by the Federal Government. Communities adopt flood plain management plans in order to qualify their citizens for the insurance premium subsidies. There are currently more than 14,800 participating communities. By the end of 1978, it is estimated that there will be 17,000 communities participating. Most of the estimated $201 million in outlays in 1978 and $255 million in 1979 will result from the insurance premium subsidies.

Disaster relief.—Under the Disaster Relief Act of 1974, disaster relief in the form of grants to individual victims and block grants for restoration of public facilities is provided. Outlays depend upon the incidence and severity of uninsured losses from natural disasters and are estimated to be $150 million in 1978. The *Small Business Administration* and the *Department of Agriculture* also provide loans for disaster relief, and outlays for these programs are estimated to be $96 million in 1978, and $105 million in 1979.

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MAJOR CREDIT PROGRAMS—COMMUNITY AND REGIONAL DEVELOPMENT

[In millions of dollars]

Agency and program	1976 actual	TQ actual	1977 estimate	1978 estimate
Community development:				
Department of Housing and Urban Development:				
Direct loan disbursements [1]	440	162	362	371
Direct loan repayments	388	103	260	362
Direct loans outstanding, end of period	899	938	912	3,428
Guaranteed loans outstanding, end of period	2,799	2,481	1,611	681
Loans to District of Columbia for capital outlay:				
Direct loan disbursements [1]	115	80	175	175
Direct loan repayments [2]	11	-------	14	17
Direct loans outstanding, end of period	1,075	1,155	1,317	1,475
Area and regional development:				
Farmers Home Administration:				
Direct loan disbursements [1]	645	206	807	856
Direct loan repayments [2]	610	219	834	856
Direct loans outstanding, end of period	264	251	224	225
Guaranteed loans outstanding, end of period	2,143	2,425	3,333	4,303
Department of Commerce:				
Direct loan disbursements [1]	30	9	98	138
Direct loan repayments	20	8	18	19
Direct loans outstanding, end of period	493	493	573	692
Guaranteed loans outstanding, end of period	160	181	250	333
Bureau of Indian Affairs:				
Direct loan disbursements [1]	10	3	20	21
Direct loan repayments	2	*	3	3
Direct loans outstanding, end of period	45	47	64	82
Guaranteed loans outstanding, end of period	29	34	114	102
Off-budget Federal entity—Rural telephone bank:				
Direct loan disbursements [1]	*113*	*18*	*120*	*130*
Direct loan repayments	*4*	*1*	*4*	*5*
Direct loans outstanding, end of period	*383*	*399*	*516*	*641*
Disaster relief and insurance:				
Small Business Administration:				
Direct loan disbursements [1]	191	46	187	124
Direct loan repayments	145	38	145	145
Direct loans outstanding, end of period	1,392	1,395	1,380	1,359
Guaranteed loans outstanding, end of period	11	11	10	9

*Less than $500,000.
[1] New loans; does not include write-offs of loans, forgiveness credits, and other adjustments.
[2] Includes sale of loan assets.

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EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES

This function includes Federal programs intended to promote the general extension of knowledge, enhance individual skills, and help the less fortunate members of society prepare for and find jobs. Most of the programs provide funds to State and local governments, which administer the service activities. A smaller but still large portion provides loans or cash grants directly to individuals and a minor portion is used for projects that are run or contracted directly by the Federal Government. Outlays for these programs are estimated to decline from $21.1 billion in 1977, to $19.4 billion in 1978, and $18.1 billion in 1979. This decrease in outlays largely reflects the anticipated improvement in the economy.

Budget Proposals

- Consolidate 23 separate education programs into a block grant through the reproposed Financial Assistance for Elementary and Secondary Education Act. This would provide increased flexibility to States in the use of Federal funds while continuing to emphasize the education of the disadvantaged and handicapped.
- Provide $273 million in outlays for grants and technical assistance to improve education in school districts that are in the process of desegregating their school systems and eliminating discrimination.
- Provide $1.8 billion in budget authority to give 2.1 million needy students basic opportunity grants of up to $1,400 each to aid them in attending the college of their choice.
- Explore ways to increase the numbers of minority and women postsecondary education graduates.
- Restructure the education impact aid program to assure that Federal funds go only to those school districts burdened by Federal activities, as recommended in 1977.
- Maintain the temporary public jobs program in 1977, and phase out in 1978.
- Maintain full support for block grants to State and local employment and training programs.
- Increase the impact of the work incentive (WIN) program by applying it to welfare applicants as well as recipients.
- Provide $2.5 billion in outlays for grants to States for social services program.

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Education

States and local governments have the primary responsibility for public education; they will spend an estimated $120 billion for these purposes in 1977, roughly 12 times as much as the Federal Government. The Federal budget for education is based on a policy of helping to assure that all Americans have equal access to education and providing funds for special educational services for the disadvantaged and the handicapped. Outlays for Federal education programs in this function are estimated to decline from $9.8 billion in 1977 to $9.6 billion in 1978 and $9.4 billion in 1979 as replaced programs spend out and student assistance increases. Substantial sums are provided for education in programs classified under other functions, including, in 1978, $3.1 billion in outlays for veterans' educational benefits, $1.5 billion for education programs in the Department of Defense, and $372 million for education in the health professions. Special Analysis I, Federal Education Programs, discusses all these activities.

EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES [1]

[In millions of dollars]

Program or agency	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
Education:					
Elementary, secondary, and vocational education:					
Financial Assistance for Elementary and Secondary Education Act (proposed legislation)	3,776	-------	-------	336	2,765
Aid to education agencies	4,763	4,190	4,712	4,955	4,734
Proposed legislation [2]	−3,621	-------	-------	−322	−2,635
Child development	525	500	513	525	525
Subtotal, elementary, secondary, and vocational education	5,443	4,690	5,225	5,494	5,389
Higher education:					
Student aid and institutional support	2,657	2,537	3,283	2,768	2,724
Special institutions	160	126	152	166	166
Subtotal, higher education	2,816	2,663	3,434	2,934	2,890

See footnotes at end of table.

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EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES[1]—Continued

[In millions of dollars]

Program or agency	Recommended budget authority for 1978	Outlays			
		1976 estimate	1977 estimate	1978 estimate	1979 estimate
Research and general education aids:					
Educational research	135	80	111	118	131
Cultural activities	522	332	529	577	556
Other	571	362	460	512	583
Proposed legislation[2]	−154	.....	.....	−14	−112
Subtotal, research and general aids	1,074	774	1,100	1,193	1,158
Subtotal, education	9,333	8,127	9,759	9,621	9,437
Training, employment, and labor services:					
Training and employment:					
Temporary employment assistance	.....	1,887	2,358	1,000	.....
General training and employment program activities	3,238	3,276	3,355	3,312	3,233
Work incentive program	365	307	365	365	365
Proposed legislation	−21	.....	.....	−21	−21
Job opportunities program	.....	269	129	.....	.....
Federal-State employment service	693	547	636	693	693
Subtotal, training and employment	4,275	6,288	6,842	5,349	4,270
Other labor services	420	301	380	415	424
Subtotal, training, employment, and labor services	4,695	6,589	7,222	5,764	4,694
Social services:					
Grants to States for social services	2,542	2,258	2,730	2,542	2,622
Rehabilitation services	850	742	803	839	839
Services for the elderly and other special groups	606	456	600	625	625
Proposed legislation (Financial Assistance for Health Care Act)	−73	.....	.....	−48	−85
Allied services (proposed legislation)	20	.....	5	20	20
Subtotal, social services	3,945	3,456	4,138	3,977	4,020
Deductions for offsetting receipts	−6	−5	−5	−6	−5
Total	17,967	18,167	21,114	19,358	18,146

[1] Information on budget authority for 1976, 1977, and 1979 and data for the transition quarter are shown in tables 14 and 15 of Part 9.
[2] Financial Assistance for Elementary and Secondary Education Act.

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Elementary, secondary, and vocational education.—These programs provide assistance to State and local educational agencies either through formula grants or discretionary project grants. The greatest share of this assistance helps to educate the disadvantaged and the handicapped.

Aid to education agencies.—Current Federal programs to help State and local educational agencies serve their students require submission of multiple funding requests and frequently result in unnecessary competition for categories of programs that do not fit the needs of the community to be served. They also contain burdensome recordkeeping and reporting requirements, which divert local administrations from their primary task of educating the young. Therefore, the budget again proposes a *Financial Assistance for Elementary and Secondary Education Act* to combine and simplify 23 of these Federal aid programs into a single block grant. This block grant proposal would enable State and local educational agencies to choose the programs that are necessary to solve their local educational problems, while continuing the emphasis on using Federal funds to improve education for the disadvantaged and the handicapped. Budget authority for this proposed act would continue to provide support at the 1977 level for the various programs proposed for inclusion, despite a congressional increase of $431 million in 1977 over 1976.

For many years the Federal Government has been providing money to school districts across the Nation under the impact aid program. This program has been justified as compensating the districts for the extra burden of educating children of Federal employees living and/or working on Federal property. Occasionally, the ability of these districts to raise revenue from local sources has been reduced as the result of a Federal acquisition of local property. However, much of the aid now goes to districts where Federal activities do not place a burden on the local communities' educational systems and, in fact, may strengthen the tax base. Some of those currently receiving such aid are among the wealthiest school districts in the country. Therefore, reform is again recommended to limit Federal impact aid to those districts where Federal activities impose a real economic burden on the school system because Government property is not taxed. These districts have a legitimate claim to Federal support; the others do not. Outlays under the restructured program are expected to decline from $847 million in 1977 to $496 million in 1978, and $417 million in 1979. These estimates assume savings of $317 million in 1978 and $446 million in 1979.

The budget estimates outlays of $391 million in 1978 to help children with a primary language other than English, for aid to those school districts that are in the process of desegregating their school

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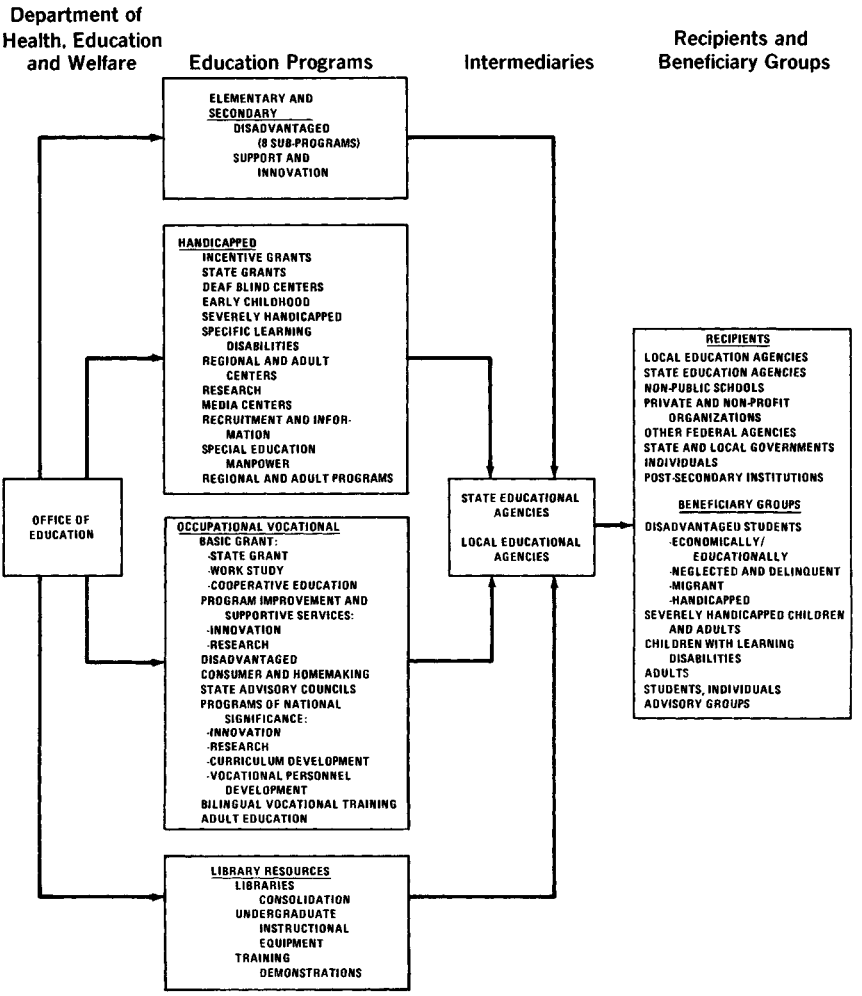
Flow of Federal Education Dollars

Before Consolidation

($3.8 Billion in Budget Authority in 1977)



After Consolidation

($3.8 Billion in Budget Authority in 1978)

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systems, and for assistance to States in establishing reading programs aimed at eliminating functional illiteracy.

Child development.—Federal funds support research, demonstration and service programs aiding the development of preschool children, including the prevention of child abuse. In 1978 and 1979 the Head Start preschool program for the disadvantaged is proposed to serve about 349,000 children, 10% of whom are handicapped. Outlays are estimated to be $525 million in both 1978 and 1979 compared to $513 million in 1977.

Higher education.—The budget proposes that higher education programs continue to emphasize direct aid to needy students to help them afford a postsecondary education. The budget does not request funds for most institutional assistance programs, as well as other activities where benefits do not flow directly to students.

The Education Amendments of 1976 increased the maximum award in the basic educational opportunity grant program from $1,400 to $1,800. The Budget proposes to provide for a more concentrated targeting of grants on low-income students when appropriations are insufficient to meet the $1,800 maximum award levels. Estimated budget authority in 1977 is $1.9 billion. Requested budget authority of $1.8 billion in 1978 will provide grants of up to $1,400 for 2.1 million undergraduate students in school year 1978–79. In 1979, the continuation of grants up to $1,400 will require an additional $1.8 billion of budget authority in order to serve 2.1 million undergraduates.

MAJOR CREDIT PROGRAMS—HIGHER EDUCATION

[In millions of dollars]

	1976 actual	TQ actual	1977 estimate	1978 estimate
Office of Education programs:				
Direct loan disbursements [1]	430	129	428	179
Direct loan repayments	26	7	28	40
Direct loan outstanding, end of period	3,786	3,907	4,307	4,454
Guaranteed loans outstanding, end of period	6,849	6,859	7,009	7,209

[1] New loans; does not include write-offs of loans, forgiveness credits, or other adjustments.

Budget authority of $44 million in 1978 is requested for the State student incentive grant program to provide assistance to 176,000 needy students. In addition, $250 million in proposed budget authority for the work study program will help provide part-time employment for 567,000 students in school year 1978–79.

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In order to assure an adequate supply of loan capital for students, $281 million is requested in 1978 budget authority for the guaranteed student loan program. This will help to provide $1 billion in loans to aid about 1 million students in the 1977–78 school year. Outlays in 1978 for higher education special programs for the disadvantaged (TRIO) include $3 million for the exploration of new ways to increase the numbers of minority and women post-secondary education graduates.

Special institutions.—The budget request of $15 million in 1978 outlays would allow the National Technical Institute for the Deaf to operate at 100% of capacity; it is currently funded for 93% of capacity. Basic support for the American Printing House for the Blind, Gallaudet College, Model Secondary School for the Deaf, and Howard University is planned to continue at increased levels.

Research and general education aids.—The Federal Government supports educational research and development, cultural activities and special projects that focus on issues of national concern in education and public broadcasting. Outlays for the National Institute of Education are estimated to increase from $88 million in 1977 to $94 million in 1978, and $106 million in 1979—a 20% increase in 2 years. These funds support educational research in such areas as basic skills, education and work, and educational equity. Support is also provided for program development and dissemination of the results.

Outlays for the National Foundation on the Arts and Humanities are estimated to rise from $308 million in 1977 to $351 million in 1978 in support of diverse cultural activities, partly as a result of the new Challenge grant program. This will provide a total of $169 million of combined private/public funds to the arts and humanities in 1978. In addition, the Smithsonian Institution is expected to spend $120 million in 1978. Noncommercial broadcasting will be supported by $107 million in outlays in 1978 through the Corporation for Public Broadcasting. Federal funds will provide $2 for every $5 of non-Federal contributions to national program production and local noncommercial stations.

Total outlays for research and general education aids are estimated to be $1.2 billion in both 1978 and 1979 compared to $1.1 billion in 1977.

Training, Employment, and Labor Services

The Federal Government gives money to State and local governments for programs to help individuals get jobs. These programs provide job training, employment services, and temporary public

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service employment. In some cases, the Federal Government contracts directly with others to provide training or employment services. It also sets and enforces minimum wage and other standards governing practices in employment and labor-management relations.

Training and employment.—Although regular employment and training programs have increased steadily over the past few years, major variations in Federal outlays have resulted from temporary programs to provide for public service jobs during a recession. The budget proposes that outlays for employment and training programs peak at $6.8 billion in 1977, then decline to $5.3 billion in 1978 and $4.3 billion in 1979, because of the anticipated improvements in the economy.

Temporary employment assistance.—The law enacted in December 1974 to provide grants to States and localities for public service jobs expires in September 1977. States and local governments have financed approximately 260,000 jobs under the law in 1975 and 1976. In some cases, they used the aid to maintain their previous level of services or to finance expansions they had hoped to provide within their regular budgets. In others, they created temporary jobs for the disadvantaged or those unemployed for long periods as a result of the recession. Amendments to the basic law in 1976 require that 50% of the vacancies occurring within the level previously funded be filled by the disadvantaged or long-term unemployed. A supplemental appropriation is requested to maintain the program in 1977 and to phase it out in an orderly manner in 1978. No outlays for this activity are included for 1979. This phaseout is consistent with the anticipated improvement in employment. It also reflects the fact that public works programs already enacted and funded during the recession provide aid to State and local governments and are expected to continue to have significant outlays in 1978 and 1979.

General training and employment program activities.—Authorizing legislation for grants under the Comprehensive Employment and Training Act (CETA) expires at the end of 1977. It is recommended that this program be extended and that the program be administered so as to enhance the flexibility and discretion enjoyed by local program sponsors. In 1978 and 1979, it is estimated that States and localities will receive regular grants for programs under CETA at the 1977 outlay level of $2.1 billion. Approximately 490,000 training or work experience opportunities would be provided each year, about the same as in 1976. The actual number of opportunities provided in

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1977, 1978, or 1979 will vary as the States and localities change their plans to meet local conditions, and increase or decrease the proportion of their total grants applied to institutional training, remedial education, on the job training, direct employment, job development, job matching, vocational counseling, and supporting services. Appropriations for Indians, and for migrant and seasonal farm workers increase from $114 million in 1977 to $135 million in 1978 since the part of a statutory reserve that was not covered by 1977 appropriations must be funded in 1978. The budget proposes reducing the total appropriations available for use at the discretion of the Department of Labor from $320 million in 1977 to $195 million in 1978. The present total, resulting from the fixed percentage in the law, is far in excess of the amounts needed or intended when CETA was enacted. It is used for direct Federal programs that provided work and training opportunities for the same people who are eligible for the programs run by States and localities. The reductions would therefore help avoid the problem of Federal programs competing and conflicting with those run by States and localities. The amount requested is sufficient to provide incentives for localities to join together to plan and operate programs; to assure that changes in the distribution of unemployment or in other factors in the formula for allocating grants do not require precipitous declines in local programs; and, in special cases, to enhance services to special groups in addition to those provided by States and localities.

Continuation of the special summer youth employment program is proposed through 1979. The actual amounts provided depend upon the projection of youth employment in the summer months, which the law requires be made every March. Preliminary estimates for the summer program are $595 million in outlays for 1 million jobs in 1977, $525 million for 882,000 jobs in 1978, and $450 million for 756,000 jobs in 1979. The budget for the Job Corps supports 22,700 training opportunities in 1978 and 1979, the same number as in 1977. Community Service Employment for Older Americans is budgeted to continue at the 1977 level through 1979. In 1979 it is expected to be financed through States and localities under the CETA authority, for which appropriations would be increased accordingly.

Work incentive program (WIN).—Those receiving aid to families with dependent children (AFDC) are helped to find jobs through intensive employment services or, where necessary, through job training programs. Child care and other supportive services help enable recipients to seek and accept jobs. The budget for 1977 through 1979 would support the level of services attained in the last quarter of 1976. In that year about 186,000 individuals were placed in

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jobs under WIN. An estimated 220,000 individuals would be placed in each of the next 3 years. Legislation is proposed to extend the WIN job search requirement to applicants for AFDC, so that they would be exposed to job opportunities before receiving welfare. The legislation would also reduce the time after job placement during which WIN supportive services are provided from 90 days to 30 days. WIN clientele are also eligible for the same services provided under title XX of the Social Security Act. This proposal would save $21 million in outlays in 1978 and 1979 resulting in total outlays of $344 million in both years.

Job opportunities program.—Legislation was also enacted in December 1974 to temporarily accelerate or expand the increase in the number of jobs for the unemployed. Federal agencies submitted proposals to the Department of Commerce, which was allocated $500 million in 1975 and 1976 for this program. In 1977 and 1978, the outlay levels of the programs previously supplemented are being set through the normal executive and congressional budget procedures. No further appropriations are requested for this program.

Federal-State employment services.—The State offices which provide job-matching services for workers and employers are paid for entirely by the Federal Government. A major study to define the role of a government employment service in the labor markets of the next several years is anticipated to be completed in 1979. In the meantime, regular operations are to be maintained at the 1977 level. Outlays are estimated to be $693 million in both 1978 and 1979. A program to extend computerized job matching beyond a few experimental sites was started in 1976 and is continuing in 1977. An appropriation is requested for this purpose in 1978, for use if evaluations of the projects started in prior years show they are worthwhile.

Other labor services.—The Federal Government establishes and enforces standards affecting the relationship between employer and employee. These standards apply to such aspects of employment as minimum wages, overtime payments, equal pay for equal work, job discrimination on the basis of age, and welfare and pension plan operations. (Similar efforts relating to job safety and health are included in the health function, while those related to equal employment opportunities for minorities and women are covered in the law enforcement and justice function.) The Federal Government also administers laws designed to assure fair practices in labor-management relations,

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and gathers and disseminates statistics on employment, and prices. Outlays for these services are estimated at $415 million in 1978 and $424 million in 1979, compared to $380 million in 1977.

Social Services

Social services.—*Grants to States for social services.*—Under title XX of the Social Security Act, assistance is provided to States and localities for the delivery of services to individuals and families in order to promote their independence and self-support. States and localities, which are responsible for determining the kinds and levels of services to be delivered within Federal regulations, provide a broad array of services ranging from family planning and child care to transportation and services for drug addicts. Federal outlays for this program are estimated to be $2.7 billion in 1977, $2.5 billion in 1978 and $2.6 billion in 1979. The enactment of the child day care amendments in 1976 increased the $2.5 billion title XX ceiling by $200 million for 1977 only. The increase between 1978 and 1979 is due to an increase in the number of States utilizing their full title XX ceiling.

Rehabilitation services.—Proposed 1978 outlays of $839 million would help approximately 1.8 million persons with physical and mental handicaps to become self-sufficient through employment. The same level of outlays is estimated for 1979. A White House conference on handicapped individuals is scheduled in May 1977 to stimulate an assessment of problems facing the disabled.

Services for the elderly and other special groups.—Outlays for these programs in 1978 and 1979 are estimated to about $625 million in each year compared to $600 million in 1977. Special programs for older Americans will provide approximately 335,000 daily meals, an increase of 45,000 over 1977. These programs also provide services to older persons that can prevent or delay the need for them to enter nursing homes or similar institutions. Funds are also included to continue demonstrating approaches to the provision of services that meet the needs of special groups, such as Indians and Alaskan and Hawaiian natives.

Allied services.—Legislation is again recommended to provide funds for demonstration projects that would test the concept of integrating the delivery of social services at the local level. This Allied Services proposal is designed to assist State and local governments, as well as private nonprofit agencies, to plan integrated human service programs that are more responsive to the needs of individuals and families.

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Tax Expenditures

The income tax law provides significant benefits that have effects similar to budget expenditures for education, training employment and social services.

Education.—Support for students is provided by excluding scholarships and fellowships from taxable income, and by allowing parents to claim personal exemptions for students over the age of 19 even if the student's own tax return also includes the exemptions. Institutional support is provided by allowing individuals and corporations to deduct contributions to nonprofit educational institutions. These provisions are estimated to reduce the Federal receipts by approximately $2 billion in 1978.

Training and employment.—Employers are allowed a tax credit of 20% of first year wages of employees who were AFDC recipients when hired, including those placed under the WIN program. The credit cannot exceed $50,000 plus half of the amount by which 20% of first-year wages exceed $50,000. This provision is estimated to reduce the Federal receipts by $15 million in 1978.

Social services.—The Tax Reform Act of 1976 eliminated the deduction provided under prior law for child and dependent care expenses and substituted a tax credit of 20% of eligible expenditures up to a maximum of $2,000 for one dependent and $4,000 for two or more. This provision for maximum credit of $400 and $800 is estimated to reduce budget receipts by $870 million in 1978.

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HEALTH

The health function includes programs that finance and provide health services (primarily for the aged and poor), support health research, pay for training of health care personnel, support prevention and control of health problems, and finance health planning and construction. Outlays for Federal health programs are estimated to be $43.2 billion in 1978, an increase of $4.0 billion, or 10%, over 1977. Outlays in 1979 are expected to reach $46.7 billion, an increase of 8% over 1978.

Budget Proposals

- Consolidate medicaid with 19 other health programs through the reproposed Financial Assistance for Health Care Act, giving States more flexibility to plan and administer programs to meet priority health needs—particularly for the low-income population.
- Provide catastrophic protection for the elderly and disabled through reproposed medicare improvements legislation by limiting an individual's annual payments for covered services to $500 for hospital and nursing home care and $250 for doctors' fees and increase medicare cost sharing to provide catastrophic program funding and to help assure that use of medical services is necessary.
- Restrain medicare costs through proposed legislation to limit reimbursements to hospitals and physicians.
- Finance medical services to Public Health Service (PHS) hospital beneficiaries through contract care, thus permitting the closure or transfer to community use of PHS hospitals, that was previously proposed.
- Again propose transfer of St. Elizabeths Hospital to the District of Columbia by 1980.
- Complete grants for the 5-year demonstration of health maintenance organizations (HMOs), through which Federal support will have assisted in the establishment of over 100 HMOs.
- Establish a new $500 million federally guaranteed insured loan program for graduate health professions students under recently enacted legislation.
- Request a consolidated salaries and expenses account to provide the Assistant Secretary for Health greater flexibility in allocating staff resources for health programs.

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HEALTH [1]

[In millions of dollars]

Program	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
General health financing assistance:					
Financial Assistance for Health Care Act (proposed legislation)	13,172	.....	.....	12,302	13,774
Health care services:					
Financing health services:					
Medicare	28,659	17,779	21,991	26,081	30,411
Medicare improvements (proposed legislation)	−76	.....	−218	−1,784	−3,693
Medicaid	11,816	8,568	10,229	11,816	13,571
Proposed legislation [2]	−11,816	.....	.....	−11,816	−13,571
Other financing	1,939	1,819	1,878	1,802	1,889
Proposed legislation [2]	−1,162	.....	.....	−463	−751
Providing health services directly	373	489	574	385	369
Subtotal, health care services	29,733	28,655	34,454	26,020	28,225
Health research and education:					
Health research	2,049	2,278	2,171	2,049	2,045
Health education and training	390	808	591	574	409
Subtotal, health research and education	2,439	3,086	2,762	2,623	2,454
Prevention and control of health problems:					
Consumer safety	558	472	522	553	562
Occupational safety and health	292	236	276	292	292
Preventing and controlling diseases	101	255	298	126	159
Proposed legislation [2]	−79	.....	.....	−26	−67
Subtotal, prevention and control of health problems	871	963	1,096	945	947
Health planning and construction:					
Health planning [3]	1,179	200	424	1,094	1,230
Proposed legislation [2]	−157	.....	.....	−64	−181
Health construction	186	552	523	292	251
St. Elizabeths Hospital construction (proposed legislation)	.....	.....	.....	.....	5
Subtotal, health planning and construction	1,208	752	947	1,322	1,304
Deductions for offsetting receipts	−8	−8	−8	−8	−8
Total	**47,416**	**33,448**	**39,251**	**43,205**	**46,696**

[1] Information on budget authority for 1976, 1977, and 1979, and data for the transition quarter are shown in Tables 14 and 15 of part 9.
[2] Financial Assistance for Health Care Act.
[3] Includes consolidation of most of the health agencies' salaries and expense accounts in 1978 and 1979.

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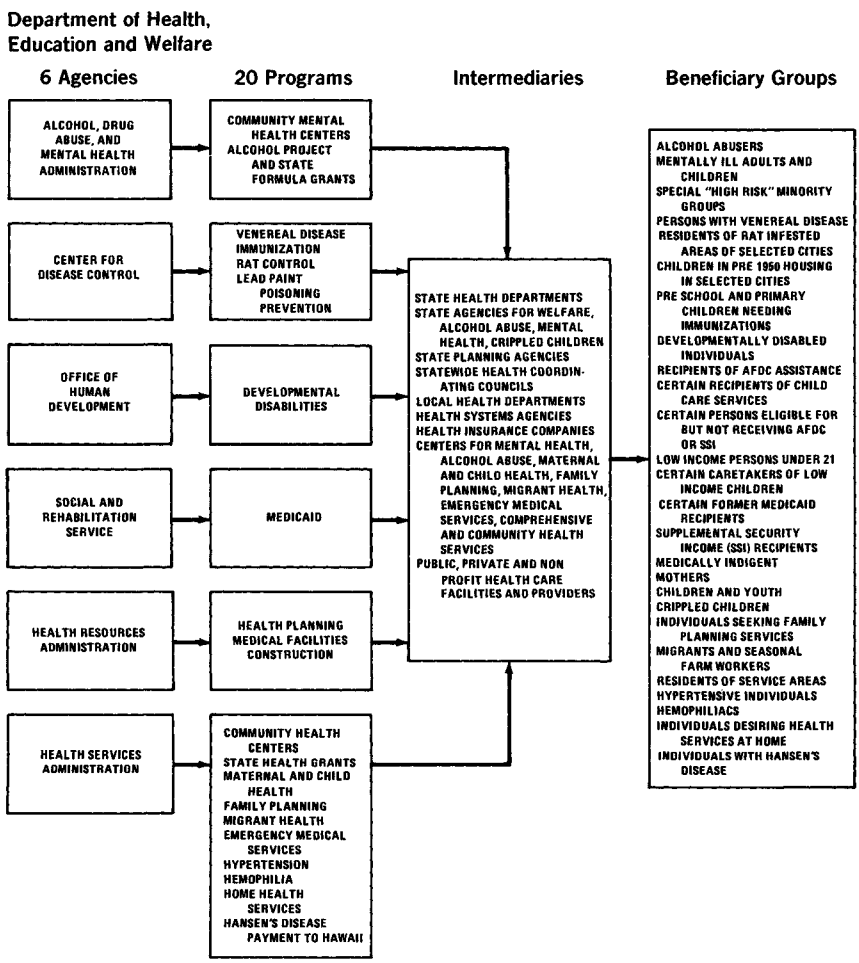
Flow of Federal Health Services Dollars

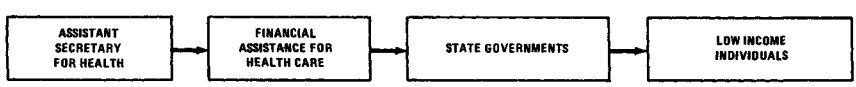
Before Consolidation

($11.7 Billion in Budget Authority in 1977)



After Consolidation

($13.2 Billion in Budget Authority in 1978)



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General health financing assistance.—The budget again proposes a health block grant to States through the Financial Assistance for Health Care Act, which would consolidate medicaid and 19 other health programs into a single program. Medicaid is an open-ended grant program that assists States in providing medical care to their low-income population. It is the largest program that would be consolidated in the Financial Assistance for Health Care Act. The estimated outlays for the consolidated programs are $12.3 billion in 1978 and $13.8 billion in 1979; proposed budget authority is $13.2 billion in 1978 and $13.8 billion in 1979. Budget authority for the Financial Assistance for Health Care Act is proposed to be increased by 5% for each future year. The limit on Federal funding for this program should provide the States an incentive to control health costs through improved program design and administration.

The block grant is designed to assure State flexibility to establish and support—with required public participation—priority health care services to needy populations. It would result in a more equitable distribution of Federal funds among States for these health services. States would have clear and unmistakable responsibility and authority to prevent fraud and abuse, as well as to undertake appropriate measures to hold down cost increases. Funds would be used primarily to meet the health services needs of low-income persons in accordance with State plans, but could also be used for other health purposes.

Consolidation of 20 Federal health programs into one block grant would overcome existing inefficiencies and inequities in Federal assistance to States and localities for health activities. Under medicaid, for example, Federal payments vary by State from under $200 to over $600 per recipient. Furthermore, current narrow categorical programs inequitably single out selected segments of the population or communities from others in similar circumstances. In addition, the costs of health services in some federally supported health centers are substantially above private sector costs.

The recommended legislation provides for a gradual shift from the current distribution of Federal funds to a more equitable one. The block grant formula is based on the number of poor persons in the State, overall State tax effort, and average State per capita income. Under the proposal, no State would receive less than it did in 1977. No State or local cost sharing would be required.

Health care services.—The largest Federal involvement in the health sector is through the financing and provision of health care services. Total outlays are estimated to decline from $34.5 billion in 1977 to $26.0 billion in 1978 and $28.2 billion in 1979, largely because

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outlays for consolidation of medicaid and other health service programs into the single block grant discussed above are shown in the general health financing assistance subfunction.

Medicare.—Under proposed legislation, medicare benefits would be improved to protect 26 million aged and disabled Americans against catastrophic medical costs. The proposed protection against catastrophic expenses would not only spare from catastrophic expense those of the elderly who actually suffered a prolonged and expensive illness, but would also spare all of the elderly from feeling forced to save against the contingency of a prolonged and expensive illness and would, therefore, enhance the quality of their lives. The recommended medicare improvements would limit cost-sharing for covered services in 1978 to $500 for hospital and nursing home care and to $250 for physicians' services. Medicare benefit limits on nonpsychiatric hospital and nursing home stays would be removed. In order to be able to afford to provide all medicare recipients protection against the costs of prolonged illnesses, cost sharing would be increased during the initial part of hospital stays. Beneficiaries would continue to pay the existing deductible representing a day's hospital costs, but would also pay 10% of the remainder of hospital charges up to $500 annually, including the deductible. For physicians' services, beneficiaries would continue to pay an annual deductible (proposed to rise as social security benefits increase) and the current 20% of additional charges, up to $250, including the deductible.

The inflation of health costs has been particularly rapid since the end of the economic stabilization program controls in April 1974. In 1976 alone, hospitals increased their charges by 13.4% and physicians raised their fees by 11.4%. Federal health financing programs have contributed to this inflation through reimbursement policies which pay prevailing charges or "reasonable costs." Grant activities have also fueled health cost inflation by creating and supporting excess capacity and expensive health service delivery mechanisms. The recommended legislative improvements in medicare would limit increases in hospital per diem costs to 7% annually and allow only a 7% increase in reasonable charges by physicians in 1978 and 1979, not to exceed the rates prevailing in each locality in 1977.

Present medicare reimbursement policies contribute to the costs of maintaining empty hospital beds and underutilized equipment by paying a share of those maintenance costs as part of the reasonable cost reimbursement system. The legislative proposals for medicare improvements would withhold from hospitals depreciation payments not required for loan repayments, until States approve replacement or expansion of those assets. Thus, medicare would finance only State approved acquisitions of facilities and equipment.

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In addition to supporting greater economy in the health care sector, these measures would reduce medicare outlays by $1.8 billion in 1978 and $3.7 billion in 1979. Even with these restraints, medicare outlays are projected to increase by $2.5 billion to $24.3 billion in 1978 and by $2.4 billion to $26.7 billion in 1979.

Other financing.—Other Federal programs also pay for health services. Outlays for the health maintenance organization (HMO) demonstration program are estimated to be $22 million in 1978. By the end of 1978, the final year of the demonstration program, more than 230 HMOs—including those that did not benefit from Federal funds—will be demonstrating this alternative form of health care delivery.

In 1978, obligations of $119 million are budgeted for the professional standards review organization (PSRO) program which reviews the appropriateness of certain federally financed medical services. This includes obligations of $46 million for PSRO hospital review costs that will be funded indirectly from the medicare trust fund. The 1978 request permits PSROs in all areas of the country to review hospital admissions and gives high priority to the evaluation of PSROs, so that the further development of this system can benefit from past experience.

Tax expenditures.—Federal tax laws help individuals finance health insurance by excluding from employee taxable income the health insurance premiums paid by employers. They also reduce health care costs to individuals by permitting itemized deductions for certain health care expenses and health insurance premiums. In 1978, the revenue loss from these tax expenditures is estimated at $5.8 billion for employer contributions and $2.9 billion for itemized medical deductions.

Providing health services directly.—In addition to financing medical services, the Federal Government provides medical care directly.

In 1978, an estimated $437 million in budget authority is recommended—three times the amount in 1970—for the provision of medical services to 564,000 American Indians and Alaska Natives living on or near Federal reservations. This amounts to $775 per eligible Indian or $3,100 for a family of four. This does not include spending in other Federal health programs, such as medicare and medicaid, for the care of Indians and Alaska Natives. Health status indicators for the Indian population have improved dramatically over the past 6 years. However, of the five leading causes of death in which the Indian population exceeds the general population—in-

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fluenza, cirrhosis of the liver, suicide, homicide, and accidents—most are due to social and environmental rather than medical factors.

Legislation is recommended to close or transfer to community use the eight Public Health Service general hospitals which provide care to certain groups of beneficiaries. Care for eligible beneficiaries would continue to be provided, but on a contract basis. Health care of other Federal beneficiaries is also being provided. Health care for Coast Guard personnel, retirees, and dependents, for example, is being assumed by the Department of Transportation. The Department of Justice is continuing its gradual assumption of responsibility for providing health care to Federal prisoners.

Legislation is also recommended to transfer St. Elizabeths Hospital (SEH) from the Federal Government to the District of Columbia by 1980. SEH serves District residents as a local psychiatric hospital; more than 90% of its patients are from the District. Once the SEH transfer is authorized, Federal funds of up to $100 million will be requested for renovation and new construction. The Federal Government would continue to subsidize SEH operating costs at a declining rate for several years after the transfer and would reimburse the District fully for the treatment of Federal beneficiaries.

Outlays for the National Health Service Corps (NHSC) are estimated to be $33 million in 1978. The NHSC program in 1978 would support 975 assignees in 453 sites to demonstrate ways in which physicians and other health professionals can be attracted and retained in shortage areas. Funding is not recommended in 1978 for continuation of the Division of Federal Employee Health which provides consultation to Federal agencies establishing comprehensive health programs for Federal employees. Most agencies have already established basic health services activities and additional activities are not required. Estimated Federal agency contributions of $1.4 billion in 1978 for Federal employee health insurance premiums already cover similar health services.

Health research and education.—Programs for health research and education include support for biomedical, behavioral, and health services research, as well as training and education of health care personnel. Outlays in this subfunction are estimated to decline from $2.8 billion in 1977 to $2.6 billion in 1978, and $2.5 billion in 1979. Although program outlays will increase in 1978, these increases are more than offset by a transfer of $484 million for research directly carried on by health agencies to the consolidated salaries and expenses account under the Assistant Secretary for Health. This account is shown in the health planning and construction subfunction.

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Health research.—Outlays for research are estimated to decline from $2.2 billion in 1977 to $2.0 billion in 1978 and 1979. Nevertheless, total research outlays—including funds for direct research transferred to the Assistant Secretary for Health account—increase from $2.2 billion in 1977 to $2.5 billion in 1978. The budget request maintains current levels of effort in major research areas such as cancer and heart disease. The elimination of general purpose, noncompetitive formula grants to research institutions is proposed in 1978 in order to provide additional funding for competitive research grants. The 1978 budget includes support for health services research in areas such as quality of care, cost containment and health insurance.

Budget authority for regular NIH competitive research grants made to universities, clinics and medical centers is estimated to rise by $55 million to $1.1 billion in 1978. This provides for an increase of 7% in basic research, emphasizing areas such as immunology and genetics. NIH research grants usually represent a 3-year Federal commitment. For example, in 1978, $769 million of the $1.1 billion in budget authority requested for regular NIH grants will go to fulfill prior year commitments.

Health education and training.—Total outlays for training health professionals are estimated to be $574 million in 1978 and $409 million in 1979. This decline from the 1977 outlays of $591 million reflects, among other factors, a reduction in project grants to health professions schools. Direct Federal subsidies for such training are not necessary since future growth in the number of health professionals is already assured. In the 9 academic years from 1969 through 1977, for example, medical school enrollments have grown from 35,833 to an estimated 57,700, and the annual number of graduates has increased from 8,059 to an estimated 13,960—increases of 61% and 73% respectively.

Capitation grants to medical and dental schools of $1,500 for each medical, dental, and osteopathy student are requested for 1978. Schools will be required to meet conditions designed to improve the specialty distribution of health personnel. In the area of health professions' student assistance, Federal scholarships will be limited to students who undertake public service commitments. No direct student loan assistance is requested. In 1978, however, health professions schools will retain $20 million in loan repayments from earlier Federal grants to school loan funds to use for new loans to students. A new program of up to $500 million in federally guaranteed loans is requested for 1978. Students who ultimately benefit from the high-income opportunities arising from medical and dental education should finance a

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greater share of their tuition costs, rather than having the public pay for this tuition through Federal grants. New research training awards will be limited to postdoctoral researchers selected through national competition.

Prevention and control of health problems.—Outlays for prevention and control of health problems are estimated to decline from $1.1 billion in 1977, to $0.9 billion in 1978 and 1979. The decrease of $151 million from 1977 to 1978 in this subfunction largely reflects the transfer of $100 million in salaries and expenses to the Assistant Secretary for Health, not a decline in program activity.

A total of $553 million in 1978 outlays is estimated for consumer safety programs, with emphasis on implementation of the medical devices legislation enacted in May 1976. Outlays for activities to assure the safety and efficacy of medical devices are estimated to increase from $8 million in 1976 to more than $30 million in 1978.

Outlays of $100 million are proposed for the control of communicable diseases and preventive health services in 1978. Federal outlays to improve the safety and health of American workers are estimated to be $292 million in 1978.

Health planning and construction.—Outlays for health planning and construction are estimated to increase from $947 million in 1977 to $1.3 billion in 1978 and 1979. The 1978 increase includes a $885 million increase for consolidated salaries and expenses transferred to the Assistant Secretary for Health and a decrease of $366 million for health planning and facilities construction. In 1978, some health planning and construction activities are proposed for inclusion in the health block grant, which requires States to develop plans to delineate priorities for health spending. States would be allowed to use block grant funds for construction consistent with those priorities.

Special Analysis K, "Federal Health Programs," in the special analyses volume of the budget discusses all Federal activities related to health, including those outside this function, such as health programs for military personnel and veterans.

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INCOME SECURITY

Income security includes payments to families and individuals for which the government does not receive any services in return. Included are cash payments for retirement, disability, and unemployment and social insurance programs, as well as food stamps, meals and housing assistance for lower income families and individuals. This assistance sustains or augments income and purchasing power.

Substantial additional Federal assistance related to income security is classified in other functions, primarily national defense, health, education, training, employment, and social services, and veterans benefits and services.

Budget Proposals

- Assure the financial integrity of the social security trust fund by increasing payroll tax rates and adjusting some benefits.
- Limit the Federal subsidy for the railroad retirement system.
- Reform the Federal employees workers' compensation program administratively and legislatively to speed benefit payments and prevent abuse.
- Increase the number of households receiving rent subsidies to 400,000 in both 1978 and 1979.
- Permit localities to decide for themselves the extent to which Federal housing subsidies are used for new or existing housing.
- Repropose the Income Assistance Simplification Act to permit income assistance programs to be changed to promote equity, effectiveness, and consistency, and to remove work disincentives.
- Provide food stamp benefits only to the needy.
- Combine 15 child nutrition programs into a single grant to each State for needy children, as previously proposed.
- Phase out the Cuban refugee program.

Most income security programs and the overwhelming share of income security benefits are related by law to changes in the cost of living, as measured by the Consumer Price Index (CPI) or some other index. In this way, benefits are protected against inflation. Beginning in 1977, two consumer price indexes will be published. The current index, which was designed to measure the purchasing power of the dollar for urban wage earners and clerical workers, will continue

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to be published together with a new index that covers all urban households. The new index will cover about 80% of the population, double that of the current index. Legislation is proposed to shift to the more comprehensive all-urban index whenever the CPI is used in Federal programs in making calculations or determinations, such as measuring automatic cost-of-living increases for Federal programs linked to the CPI.

Income security programs have grown faster than inflation and faster than the budget as a whole. Outlays for retirement and disability programs are estimated to increase by 9.7% in 1978 and 10.0% in 1979 under current law. Legislation proposed in the budget would reduce these increases to 8.7% in 1978 and to 9.4% in 1979. Income security outlays directly associated with unemployment—that is, for unemployment compensation—are estimated to decline by $2.5 billion in 1978 and $2.9 billion in 1979.

Total budget outlays for income security are estimated to increase from $138.1 billion in 1977 to $143.9 billion in 1978 and $152.8 billion in 1979.

General retirement and disability insurance.—This category includes benefits paid out under the social security system for retirement and disability, railroad retirement, and special benefits for disabled coal miners.

Social security.—Social security is estimated to pay benefits to 29 million beneficiaries in 1978 and 32 million in 1979, including dependents and survivors. Benefit payments are estimated to total $82 billion in 1977, $89 billion in 1978 and $98 billion in 1979—an average increase of 9.5% per year from 1977 to 1979. Of the total 1978 increase, $5.5 billion is estimated to result from automatic CPI increases in benefit payments. The remaining increase results from a net increase in the number of retired people and an increase in the benefit base (usually, average earnings) of the most recent retirees. The average benefit for a retired worker is estimated to be $242 per month in 1978 and $261 in 1979, increases of 7.1% and 7.9%, respectively, over the $226 monthly level of 1977. Total outlays for social security, including administrative expenses, are estimated to be $83 billion in 1977, $91 billion in 1978, and $100 billion in 1979.

The total social security payroll tax rate, including the health insurance tax, is now 11.7% (one-half paid by the employer and one-half by the employee). Under the automatic adjustment mechanism in current law, the amount of an employee's annual earnings subject to the payroll tax rose from $15,300 in calendar year 1976 to $16,500 in calendar year 1977, and is expected to reach $17,700 in calendar year 1978 and $19,200 in calendar year 1979.

The increased receipts that result from these changes in the tax base are insufficient to maintain the necessary reserves in the social security trust funds. Under current law, benefit payments from the

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INCOME SECURITY [1]

[In millions of dollars]

Program or agency	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
General retirement and disability insurance:					
Old-age, survivors, and disability insurance	87,221	72,664	83,393	91,795	101,360
Proposed legislation	1,374	-------	−43	−998	−1,699
Railroad retirement	3,907	3,475	3,727	3,896	4,020
Proposed legislation	12	-------	-------	-------	-------
Special benefits for disabled coal miners	995	1,012	982	993	1,010
Other	4	21	3	4	4
Subtotal, general retirement and disability	93,513	77,173	88,062	95,689	104,696
Off-budget Federal entity: Pension Benefit Guaranty Corporation	*(−16)*	*(−22)*	*(−14)*	*(−16)*	*(−16)*
Subtotal, including off-budget	*(93,497)*	*(77,151)*	*(88,048)*	*(95,673)*	*(104,680)*
Federal employee retirement and disability	16,888	8,174	9,662	11,094	12,486
Unemployment insurance	15,961	19,452	16,380	13,861	10,977
Public assistance and other income supplements:					
Supplemental security income	5,750	5,060	5,369	5,714	5,993
AFDC and other	6,606	5,849	6,306	6,606	6,772
Proposed legislation	−63	-------	-------	−63	−93
Housing assistance	24,598	2,493	2,952	3,711	4,558
Food stamps	5,627	5,632	4,754	5,594	5,822
Proposed legislation	−882	-------	-------	−882	−909
School lunch and other nutrition programs	2,742	2,327	3,385	3,328	3,253
Proposed legislation	−787	-------	-------	−1,012	−924
Earned income credit payments	835	808	856	835	-------
Proposed legislation	−835	-------	-------	−835	-------
Refugee assistance	58	343	225	78	52
Other	176	96	166	174	156
Subtotal, public assistance and other income supplements	43,825	22,609	24,014	23,249	24,680
Deductions for offsetting receipts	−*	−1	−*	−*	−*
Total	**170,186**	**127,406**	**138,118**	**143,892**	**152,838**
Total, including off-budget Federal entities	*(170,170)*	*(127,384)*	*(138,105)*	*(143,876)*	*(152,822)*

*$500 thousand or less.

[1] Information on budget authority for 1976, 1977, and 1979, and data for the transition quarter are shown in Tables 14 and 15 of Part 9.

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social security trust funds have been, and will continue to be, greater than the contributions collected from employers and employees. Thus, the trust funds cash balances are shrinking.

Therefore, the budget includes a series of proposed legislative changes to restore the financial integrity of and to maintain the contributory nature of the social security system. The major changes proposed are to:

- increase the combined employer-employee payroll tax rates by 0.2 percentage points on January 1, 1978 (in addition to the 0.4 percentage points increase scheduled under current law); 0.6 percentage points on January 1, 1979, and 0.3 percentage points on January 1, 1980;
- eliminate the provision that allows some new retirees to receive an initial lump-sum payment that results in permanently reduced future monthly benefits;
- change the retirement test to an annual basis instead of a monthly and annual basis; and
- phase out, over a 4-year period, the present student benefit.

These reforms would increase receipts by $1.4 billion in 1978 and $6.7 billion in 1979 and decrease outlays by $1.0 billion in 1978 and $1.7 billion in 1979.

In addition, legislation is again recommended to delete the inadvertent feature of the 1972 social security amendments that not only assures new retirees of future benefit increases as the CPI rises, but also—under present projections—raises the initial benefit levels more rapidly than wages increase. Under this proposal, future initial benefit levels would continue to reflect the general rise in covered wages in the economy, and maintain the same proportion of a retiree's prior earnings as at present. Benefits after retirement would continue to be adjusted as the CPI increases. Benefits of those already retired would not be affected.

Railroad retirement.—About 967,000 railroad workers receive retirement and disability benefits from a separate contributory retirement system that is funded by both employer and employee contributions, but administered by the Federal Government. Railroad retirement outlays are projected to be $3.9 billion in 1978, an increase of $169 million over 1977 and to increase further to $4.0 billion in 1979; total outlays for railroad retirement include $34 million a year for administration. Average benefits are estimated to increase from $351 per month in 1977 to $368 per month in 1978. Social security taxes paid by railroad employees and employers are estimated to increase $12 million in 1978 and $58 million in 1979 under proposed legislation to raise social security tax rates. Starting in 1975, this fund was supplemented by contributions from Federal general revenue

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funds. The budget also proposes to limit the railroad retirement system general fund subsidy to $250 million (annually) through the year 2000.

Special benefits for disabled coal miners.—The Coal Mine Health and Safety Act established monthly benefit payments to coal miners who are totally disabled from pneumoconiosis, to widows, and to their dependents. Benefit payments increase with Federal salary levels and are estimated to total about $1.0 billion a year from 1977 to 1979. It is estimated that an increase in the level of average benefits will be partially offset by a reduction in the number of beneficiaries from 473,000 in 1977 to 452,000 in 1978.

Pension Benefit Guaranty Corporation.—The Pension Benefit Guaranty Corporation, an off-budget Federal entity, was established under title IV of the Employee Retirement Income Security Act of 1974 to protect the vested benefits of covered pension plans. The Corporation is required to pay costs out of income which consists primarily of premiums and collections from employers terminating plans. These employers are liable for the unfunded portion of benefits to be paid by the corporation, up to 30% of their net worth. The Corporation's income is estimated to exceed outlays by $16 million in 1978 and 1979. The Corporation is conducting an actuarial study to assess its current and future premium needs. Legislation is recommended to include the Corporation and other off-budget Federal entities in the budget beginning with the 1979 budget.

Tax expenditures.—Under various provisions of the Federal income tax law, there are tax expenditures relating to income of the aged. Major provisions include exclusion of all social security and most railroad retirement benefits from tax liability without regard to an individual's income from other sources; the extra exemptions available to persons 65 or over; and the tax credit for the elderly. The combined benefits to the retired and elderly from these tax expenditures is estimated to be $5.9 billion in 1978.

Other tax provisions assist the economic security of aged persons by promoting private pension programs. The largest benefits result from excluding employer contributions to and current earnings of qualified pension funds from taxation. Taking into account deferred taxes collected from present retirees, the net loss in receipts is estimated to be $9.9 billion in 1978. The Employees Retirement Income Security Act of 1974 increased the similar benefit for the self-employed and allowed this tax benefit for the first time for employees not covered

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by employer pension plans. These provisions will result in an estimated tax expenditure of $1.5 billion in 1978.

Disabled persons benefit from the exemption from taxation of disability insurance benefits under social security, of worker's compensation benefits, and of sick pay. In 1978, these provisions are estimated to reduce individual income taxes by $0.4 billion, $0.8 billion and $0.1 billion, respectively.

Federal retirement and disability.—Outlays for Federal retirement and disability are estimated to increase from $9.7 billion in 1977 to $11.1 billion in 1978. Outlays for 1979 are estimated to be $12.5 billion. These Federal programs are estimated to have 1.6 million beneficiaries in 1978 and 1.7 million in 1979.

Until now the full costs of Federal civilian retirement systems have not been paid for by Federal employing agencies. This is one of the factors that contributes to the large annual lump-sum payment from the Treasury to the civil service trust fund. Changes in financing all Federal retirement systems that would provide for full funding of the normal costs on a basis that more accurately reflects the eventual payments to those who retire are planned for inclusion in the 1979 budget. Full funding includes anticipating the costs of future automatic increases in retirement benefits due to inflation and pay increases. Under this proposal costs determined on the full-funding basis would be allocated to the Federal agencies that employ the personnel covered by the retirement system who retire. The proposed changes would become effective beginning in 1979.

An even more extensive change is being proposed for the military retirement system, the details of which are described in the national defense function.

For job-related injuries, illnesses, and deaths, the Department of Labor provides tax-free cash and medical benefits under the Federal Employees' Compensation Act (FECA). These costs are reimbursed later by the responsible Federal agencies. Approximately 46,000 workers with long-term disabilities or their survivors are expected to receive monthly payments in 1978, and 49,000 in 1979. Another 105,000 Federal employees in 1978 and 110,000 Federal employees in 1979 are expected to have their regular pay continued for up to 45 days, mostly for short-term disabilities. Long-term benefits replace a high proportion of lost wages and increase as the CPI increases.

Although Federal employment has been relatively stable for several years, injury reports, claims and costs are rising at alarming rates; for example, claims for long-term benefits have risen 43% in the

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last 3 years. To ensure prompt claims processing, to reduce excessive cost, and to minimize abuse and error, administrative reforms have been started in the Department of Labor. In addition, amendments to the Federal Employees' Compensation Act are recommended to reinstate a short waiting period before disability benefits begin and to speed resolution of appeals by limiting the time available to a claimant to seek reconsideration.

The benefits structure of the Federal workers' compensation system demands careful reassessment. The fundamental principle that workers' compensation benefits should replace only an adequate portion of lost income is seriously undermined by the current system. For example, a Federal employee in the higher grade levels may receive cash benefit payments which are higher than the take-home pay of that employee prior to injury.

Unemployment insurance.—Unemployment assistance supports workers temporarily out of work while they search for a job. It is estimated that an average of approximately 4.0 million workers per week will receive unemployment assistance during 1977 and 3.2 million in 1978. Average benefits, which are not subject to Federal tax, are estimated to increase from $73 per week in 1977 to $75 per week in 1978. Outlays for unemployment compensation are estimated to decline from $16.4 billion in 1977 to $13.9 billion in 1978 and $11.0 billion in 1979.

Under the Unemployment Compensation Amendments of 1976 unemployment insurance coverage will be expanded effective January 1, 1978, to include 9 million additional workers, primarily State and local government employees. With this change, some 97% of all wage and salaried employment in the United States will be covered by unemployment compensation. To maintain the insurance nature of the program, the 1976 amendments increased the amount of wages on which employers pay the Federal unemployment tax from $4,200 to $6,000, effective January 1, 1978. The amendments also temporarily increased the net Federal unemployment tax rate effective January 1, 1977, from 0.5% to 0.7% to speed repayment of general fund loans used to finance benefits beyond the normal 26 weeks during the past recession. This temporary tax increase will expire when the loans have been repaid.

Two temporary unemployment assistance programs enacted in 1974 in response to the recession will expire during calendar year 1977. The Federal supplemental benefits (FSB) program provides up to 26 additional weeks of benefits (for a maximum of 65 weeks) to covered workers who exhausted their full regular and extended benefits (up to 39 weeks). This program has been discontinued in a number of States because the unemployment rate among those covered by un-

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employment insurance (the insured unemployment rate) dropped below the level necessary for the States to qualify for this Federal program. Benefits under the program will continue through March 31, 1977, with total estimated outlays for 1977 of $1.3 billion. FSB was enacted because the average unemployed worker needs more time to find a job during recessions than during periods of economic expansion. Preliminary analysis indicates that 61% of FSB recipients had family incomes above the poverty level even when FSB benefits were excluded from their income. This raises the substantial question as to whether public funds should be used for such an extended period of time to provide benefits to people who do not have to show need.

The temporary special unemployment assistance (SUA) program pays up to 39 weeks of benefits to those who are not covered by regular unemployment benefits. This program was extended through December 31, 1977, in order to assure that those workers who become covered under the regular program on January 1, 1978, do not experience a gap in eligibility. Given the expected further economic recovery, outlays are estimated to decrease from $0.5 billion in 1977 to $0.1 billion in 1978.

Unemployment compensation benefits are excluded from Federal income taxes, resulting in estimated tax expenditures of $2.4 billion in 1978.

The National Commission on Unemployment Compensation, authorized by the 1976 amendments, will begin in 1977 to study and evaluate the entire unemployment compensation program, including its interrelationship with other programs.

Public assistance and other income supplements.—This subfunction includes programs that provide funds for special groups, and provide food and shelter. Groups eligible for such special income security include dependent children, the aged, the blind, and the disabled. Food programs serve the low-income population, schoolchildren, and others. Housing programs provide shelter to low-income families, especially in urban areas.

Supplemental security income.—The supplemental security income (SSI) program, which replaced federally aided State assistance programs for the aged, the blind, and the disabled, is expected to provide an estimated $5.0 billion in Federal benefit payments to 3.9 million recipients in 1978, a $0.3 billion increase over the estimated $4.7 billion in Federal benefit payments provided to 3.9 million recipients in 1977. An estimated $5.3 billion in Federal benefit payments will be provided to 4.0 million recipients in 1979. Average benefits are estimated to rise from $104 per month in 1978 to $112 per month in 1979. The total number of beneficiaries receiving Federal or federally

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administered State supplements is estimated at 4.4 million in 1977, 1978 and 1979. Total outlays for SSI, including administrative expenses, are estimated to be $5.4 billion in 1977, $5.7 billion in 1978, and $6.0 billion in 1979.

The combined effect of the requirements for determining eligibility and computing prospective benefits every 3 months generates a substantial number of payment errors in the program. An additional source of complexity and error is the more than a dozen different variations in benefit payments associated with some federally administered State supplements. The Department of Health, Education, and Welfare—by intensively reviewing current management practices, statutes, and regulations—is moving to reduce the number of errors and to insure program integrity without sacrificing equity or incurring substantial new program costs.

AFDC and related programs.—The program of aid to families with dependent children (AFDC) assists States and localities in providing public assistance benefits. Outlays for these grants are estimated at $6.7 billion in 1979 compared with $6.5 billion in 1978 and with $6.3 in 1977. This small increase results from an anticipated moderate increase in the average benefit payment, offset by an expected slight decline of caseload. Errors and abuses are being reduced through closer cooperation between the States and the Department of Health, Education, and Welfare in a quality control effort. The most recent analysis indicates that 5.5% of AFDC families currently receiving benefits are ineligible, 13.9% receive overpayments, and 5.2% receive underpayments. Legislation is proposed to revise the provisions for work-related expense deductions, thereby establishing more uniform eligibility limits. Legislation is also proposed to progressively reduce the Federal share of the administrative costs of child support enforcement from the present 75% to 50% by 1980; 50% is identical to the States' share of administrative costs in associated AFDC programs.

Income assistance simplification.—Certain of the specific reforms recommended for programs that provide benefits to individuals, are steps toward a more rational system of income support for the poor and needy. In the longer run, a more comprehensive approach is needed that will avoid problems of inequity, different and unjustified eligibility requirements, and gaps in and overlapping of benefits. The average beneficiary of income assistance payments is participating in three major federally assisted benefit programs. There is evidence that the cumulative benefits are very unevenly distributed among persons in need, with substantial sums going to persons not in need. As a step toward a more rational system, legislative authority is again requested to simplify the administration of national income assistance programs.

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These modifications would be within carefully prescribed limits to achieve defined objectives, and would be subject to congressional disapproval. The total income assistance resources devoted to the needy would not decrease through the use of this authority. Changes in one program would be accompanied by other changes to the extent necessary to assure that the overall income assistance effort is maintained. This proposed authority would permit the administration to achieve greater consistency in eligibility requirements, benefit levels, and related organization structures, and thus improve the delivery of benefits. It would simplify and reduce the costs of administration, assure more equitable treatment for all individuals and families in similar situations, and promote work incentives for those who are employable.

Housing assistance.—The Department of Housing and Urban Development's (HUD) subsidized housing programs seek to provide low-income families an opportunity to secure decent housing. The most important of these programs—lower income housing assistance (section 8) provides rental subsidies to participating families equal to the difference between market rents and 15–25% of family income. The rental subsidies are paid on behalf of tenants residing in newly constructed, substantially rehabilitated, and existing units. The budget proposes that, beginning in 1978, localities be given the opportunity to decide for themselves the mix of existing, rehabilitated, and new, units to be subsidized, taking into account their individual needs.

Other subsidized housing programs provide public housing, housing for reservation Indians, and homeownership assistance (section 235). The latter program helps families become homeowners by subsidizing interest rates on home mortgages to as low as 5%.

The budget proposes authority to contract for housing subsidy payments of up to $23.8 billion in both 1978 and 1979. This authority would assist an additional 400,000 households in each year, compared with an estimated 235,000 households in 1977. Moreover, in 1978 an additional 100,000 households are expected to receive homeownership assistance using authority already provided by the Congress. Assuming that tenant incomes and market rents rise at an annual rate of 5% during the term of the subsidy contract, average outlays per unit of section 8 housing are estimated as follows:

- $358,000 over 40 years for publicly financed new construction;
- $91,500 over 20 years for private new construction; and
- $29,000 over 15 years for existing housing.

Subsidy payments on behalf of some 3 million units of subsidized housing are estimated to reach $3.6 billion in 1978 and $4.5 billion in 1979. Payments on behalf of local public housing projects account for over one-third of these outlays—$1.7 billion in 1978 and $1.9

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billion in 1979. Operating subsidies for local housing authorities are estimated at $560 million and $630 million in 1978 and 1979, respectively. The budget anticipates that a new rent standard will be incorporated in the formula used to determine operating subsidies. The standard, which would be phased in over a 3-year period, would assume that public housing tenants contribute the same share of their adjusted income toward rent as tenants in section 8 projects must pay. Additional assistance for existing public housing projects will be provided under the modernization program; the 1978 budget provides sufficient resources to maintain an average program level of $420 million in budget authority for 1977, 1978, and 1979.

Total outlays for housing assistance are estimated to rise from $3.0 billion in 1977 to $3.7 billion in 1978 and to $4.6 billion in 1979. This is an annual rate of increase of 24%.

Food stamps.—The growth in the food stamp program from $70 million in 1966 to $5,632 million in 1976 was not planned in conjunction with other income support programs for the poor. Nor were earlier food programs such as school lunch and other child nutrition programs changed to reflect the growth of food stamps; they also continued to expand from $379 million to $2,327 million during the same period.

The food stamp program was designed to assure the needy an opportunity to purchase food for an adequate diet and to strengthen the agricultural sector of the economy. The current program is plagued with problems in determining eligibility, including:

- the use of an applicant's estimate of future income, rather than the use of actual income;
- a complicated system of deductions from income; and
- a complex assets test with many exclusions.

Such eligibility requirements create opportunities for many who do not need income support to seek food stamps.

Reforms of the food stamp program are proposed to assure that benefits go only to needy individuals and families and to improve program administration. These reforms reduce program costs by approximately $0.9 billion in both 1978 and 1979 but would increase benefits for those truly in need. The earlier these legislative or regulatory reforms are carried out, the greater the savings in 1977. Under the proposed food stamp reforms, more than 13 million beneficiaries are estimated to participate in this program in 1978. Total outlays are estimated to be $4.8 billion in 1977, $4.7 billion in 1978 and $4.9 billion in 1979. Average individual benefits are projected to increase from $24 per month in 1977 to $30 per month in 1978.

School lunch and other nutrition programs.—These complex and overlapping programs began as surplus commodity distribution pro-

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gram in the 1940's. In 1977, outlays for school lunch and child nutrition programs are estimated to be $3.4 billion.

Substantial portions of these outlays go to the nonneedy. It is estimated that in 1977 over $660 million will subsidize meals for children from families with incomes above $11,000. For example, the Federal Government now provides subsidies of approximately 25¢ for every meal served to children in most schools regardless of family income. Programs that provide subsidies for meals served to nonneedy children have grown rapidly. Benefits under these programs are in addition to similar nutritional benefits available from the food stamp program, which covers school-aged children as well as the other members of the family.

The school lunch and other nutrition programs currently provide benefits in the form of cash and food to: (1) subsidize lunches and breakfasts served in schools to all schoolchildren regardless of income; (2) subsidize meals in summer camps and other summer programs; (3) subsidize meals served in residential child care institutions, day care projects and juvenile detention institutions; and (4) supplement the diets of pregnant women, infants, and young children.

Legislation is again recommended to provide consolidated block grants to help States feed needy children. This proposal would replace the 15 existing fragmented, overlapping, and administratively complex programs. The block grant program would provide more funds to feed needy children than now available under existing law, and result in substantial Federal savings by the elimination of the subsidies to those who do not need them. States would have greater flexibility and discretion to design feeding programs which reflect local conditions and preferences. The excessive and unproductive administrative complexities generated by the present array of categorical programs with different requirements, standards, and regulations would end.

The block grant proposal would provide greater flexibility in assisting an estimated 700,000 needy children who now do not receive program benefits. It would enable States to provide one-third of a needy child's daily nutritional requirement entirely from Federal funds. Proposed outlays under the block grant total $2.2 billion in 1978 and 1979.

Cuban refugee program.—The Cuban refugee program was established in February 1961 to assist State and local governments in meeting the emergency needs of Cuban refugees entering the United States. Most of those who arrived are seeking the responsibilities and privileges of citizenship. Since the inception of the program, approximately $1.2 billion in Federal health, welfare, and educational assistance has been provided to State and local governments for bene-

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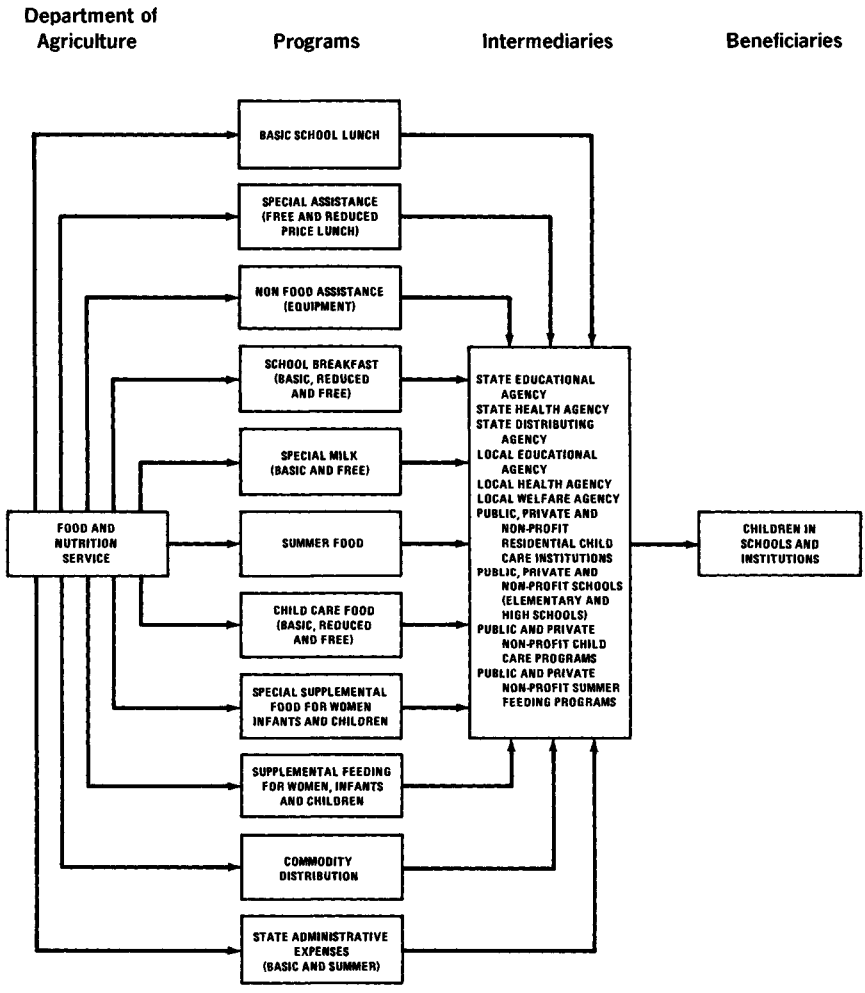
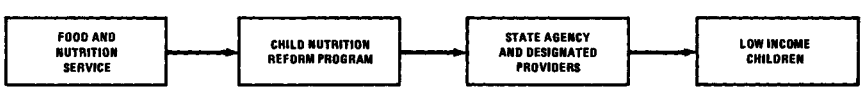
Flow of Child Nutrition Dollars

Before — Categorical Programs
($3.2 Billion in Outlays in 1978)



After — Consolidated Block Grant
($2.2 Billion in Outlays in 1978)



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fits and services to Cubans. Since the Cuban refugee population is ceasing to present a special burden for State and local government resources, a gradual and systematic phaseout of the Cuban refugee program is proposed to begin late in 1977 and continue through 1981.

Earned income credit.—The Tax Reduction Act of 1975 provided low-income families with children a credit equal to 10% of earned income with a maximum credit of $400. When the credit exceeds any taxes owed, the Government pays the difference to the family in cash, and this payment is treated as a budget outlay.[1] This credit was applicable to incomes earned in calendar year 1975, with payments made the following spring. The Tax Reform Act of 1976 extended this credit through calendar year 1977. Under existing law, therefore, outlays for this credit would be $0.9 billion in 1977 and $0.8 billion in 1978. Tax reductions of $0.2 billion in 1977 and $0.2 billion in 1978 would also take place as a result of this credit. Because this credit is not well integrated with the other elements of the welfare system, the President is proposing to repeal it in calendar year 1977; this would eliminate both the outlays and the reduction in receipts for this credit in 1978.

[1] The Congress, in its concurrent resolutions on the budget, treats this payment as an offset to receipts rather than as a budget outlay.

MAJOR CREDIT PROGRAMS—INCOME SECURITY

[In millions of dollars]

Program	1976 actual	TQ actual	1977 estimate	1978 estimate
Public housing loans—construction:				
Direct loan disbursements [1]	278	50	600	600
Direct loan repayments	266	34	600	600
Direct loans outstanding, end of period	42	58	58	58
Guaranteed loans outstanding, end of period	13,607	13,727	14,992	16,361
Loans to nonprofit sponsors of subsidized housing:				
Direct loan disbursements [1]	*	-------	6	8
Direct loan repayments	*	*	4	8
Direct loans outstanding, end of period	2	2	4	4

*Less than $500 thousand.
[1] New loans; does not include write-offs of loans, forgiveness credits or other adjustments.

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VETERANS BENEFITS AND SERVICES

The Veterans Administration (VA) manages a number of programs specifically designed to assist veterans, their dependents and survivors. These programs help veterans readjust to civilian life after military service, and compensate them for sacrifices they made while in service.

Budget Proposals

- Increase 1978 VA medical staff by 3,508 full-time employees, allowing improved care of veterans with service-connected disabilities and aged veterans.
- Begin construction on two replacement hospitals in 1978 and an additional two replacement hospitals in 1979.
- Propose again legislation to require health insurers to reimburse the VA for care of insured patients' non-service-connected disabilities.
- Propose legislation to limit travel reimbursement for veterans treated for non-service-connected disabilities.
- Propose again legislation to eliminate veterans' burial payments to the extent that they duplicate other federally funded death benefits.
- Propose legislation to end the use of GI bill benefits for education programs that do not promote readjustment to civilian life, such as correspondence courses and flight training.
- Propose legislation to take account of the volunteer nature of military service by terminating the VA housing entitlement for future entrants into the Armed Services.

The 1978 budget reflects policies that recognize two major changes currently taking place in the veteran population:

- The voluntary nature of military service in the Armed Forces of today, coupled with salaries that are sufficient to attract volunteers. This eliminates the justification for continuing many special veterans benefit programs for future recruits.
- The aging of the veteran population. Even including future volunteers, veterans age 60 and over are expected to increase from 14% of the total veteran population in 1975 to 32% in 1985. The shifting age structure requires that the VA adapt its programs to meet changing needs.

Outlays for veterans programs are estimated to be $18.4 billion in 1977, $18.3 billion in 1978 and $18.0 billion in 1979. Growth in some program areas is more than offset by declines in others.

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VETERANS BENEFITS AND SERVICES [1]

[In millions of dollars]

Program or agency	Recommended budget authority for 1978	Outlays			
		1976 Actual	1977 estimate	1978 estimate	1979 estimate
Income security for veterans:					
Service-connected compensation	5,749	5,154	5,733	5,737	5,665
Non-service-connected pensions	3,179	2,859	3,071	3,185	3,134
Other veterans income security	189	165	178	187	186
Proposed legislation (burial benefits)	−80	.....	.....	−80	−82
National service life insurance trust fund	993	633	630	690	734
U.S. Government life insurance trust fund	38	71	66	70	68
All other insurance programs	2	−72	−72	−71	−69
Insurance program receipts	−523	−460	−500	−523	−512
Subtotal, income security for veterans	9,548	8,350	9,107	9,195	9,125
Veterans education, training and rehabilitation:					
Existing law	3,245	5,531	4,138	3,812	3,555
Proposed legislation	−525	.....	.....	−484	−532
Subtotal, education, training and rehabilitation	2,720	5,531	4,138	3,328	3,023
Hospital and medical care for veterans:					
Medical care and hospital services	4,736	3,695	4,383	4,724	5,007
Proposed legislation	−158	.....	−19	−158	−231
Construction	536	197	303	361	458
Proposed legislation	5	.....	.....	2	2
Medical administration, research and other	200	154	184	205	205
Subtotal, hospital and medical care	5,319	4,046	4,851	5,135	5,441
Veterans housing:					
Loan guaranty revolving fund	.....	−22	−32	85	−101
Direct loan revolving fund	.....	−43	−231	−57	−132
Proposed legislation	.....	.....	.....	.....	−2
Other (HUD participation sales trust fund)	.....	−7	−8	−7	−4
Subtotal, veterans housing	.....	−72	−271	21	−239
Other veterans benefits and services:					
Administrative expenses and other	583	554	540	573	582
Proposed legislation	4	.....	.....	3	4
Non-VA support programs	27	25	26	27	26
Subtotal, other	614	578	565	603	612
Deductions for offsetting receipts	−2	−2	−2	−2	−2
Total	**18,200**	**18,432**	**18,388**	**18,279**	**17,960**

[1] Information on budget authority for 1976, 1977, and 1979, and data for the transition quarter are shown in tables 14 and 15 of Part 9.

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Income security for veterans.—In addition to general Federal income security programs, such as social security, special VA programs help certain veterans and their survivors maintain their income when the veteran is disabled, aged, or deceased. Outlays for veterans income security programs are estimated to total $9.2 billion in 1978 and $9.1 billion in 1977 and 1979.

Service-connected compensation.—Monthly compensation payments are provided to veterans who are disabled as a result of military service. The amount of the benefit is intended to relate to the degree to which earnings are impaired as a result of disability. Dependency and indemnity compensation payments are made to survivors of veterans who die from service-connected injuries. Recently enacted legislation provided benefit increases of 8% for veterans and survivors, effective in October 1976. An estimated 2.6 million veterans and their survivors will receive $5.7 billion in compensation benefits in both 1978 and 1979.

Non-service-connected pensions.—Pensions are provided to needy wartime-service veterans who are aged or have become disabled subsequent to their military service, whether or not they have service-connected disabilities. Needy survivors of wartime-service veterans also may qualify for pension benefits based on demonstrated financial need. Recent legislation raised current pension rates by 7% effective January 1, 1977. An estimated 2.3 million veterans and their survivors will receive $3.2 billion in pension benefits in 1978 and $3.1 billion in 1979.

Burial benefits.—Families of deceased veterans who are buried in private cemeteries rather than VA National Cemeteries may receive allowances to apply toward the purchase of burial plots. Families of deceased veterans also receive burial benefits to assist in defraying veterans funeral expenses. Outlays for burial allowances are estimated to be $148 million in 1978. This budget includes a proposal to eliminate $80 million in payments for burial allowances in instances where similar benefits are provided through other federally financed programs. Some of the programs providing burial benefits that VA payments duplicate are social security, public health service, and Federal employees' compensation.

Life insurance.—Insurance programs for veterans and their survivors will provide $34 billion of coverage to 5 million families in 1978. The servicemen's group life insurance program for military personnel will provide $58.9 billion of coverage to 3 million families in 1978.

Veterans education, training, and rehabilitation.—The education benefits of the GI bill range from college courses to vocational and

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on-the-job training. These benefits are designed primarily to assist veterans make the transition from military to civilian life by helping them get the education they might have received had they not served their country in a time of national emergency. Active duty servicemen and widows and children of veterans who have died or been totally disabled in military service also are eligible for these benefits. Service-disabled veterans with significant disabilities can choose between regular GI bill benefits or vocational rehabilitation training.

The budget anticipates that the number of trainees will continue to drop in the future as the number of eligible veterans becomes smaller. In 1978, 1.8 million GI bill trainees are expected to participate in the program, a reduction from 2.2 million in 1977. Outlays are expected to continue to decline from the 1976 peak of $5.5 billion despite an increase averaging 8% in GI bill benefits, enacted in 1976. Outlays are estimated to decline from $4.1 billion in 1977, to $3.3 billion in 1978 and $3.0 billion in 1979. The budget estimates take into consideration three legislative proposals that would result in a savings of $484 million in 1978 and $532 million in 1979. These proposals would:

- End new enrollments in general flight training and correspondence courses. These forms of training do not promote the readjustment of veterans to civilian life.
- Return the period of GI bill eligibility to 8 years from the current 10 years, in order to focus the VA education program on the period of readjustment from military service to civilian life. Eight years was the norm for previous veterans readjustment programs, and is a reasonable period for the veteran's readjustment.
- Discontinue the VA education loan program, since funds for the veteran's education are available from alternative federally sponsored educational loan sources.

Recently enacted legislation discontinued entitlement for the traditional GI bill education program for veterans who first enter military service after December 31, 1976. The legislation provides, instead, for a new education program that will allow new members of the Armed Forces to have $50 to $75 set aside from their monthly pay, with the VA matching the amount on a 2 for 1 basis. The total will be returned as educational benefits when the veteran enrolls in a training program.

Hospital and medical care for veterans.—The Veterans Administration operates a nationwide civilian medical care system that includes 172 hospitals, 228 outpatient clinics, 90 nursing homes, and 16 domiciliaries in 1978. Outlays for medical programs are expected to be $4.9 billion in 1977 and rise further to $5.1 billion in 1978 and $5.4 billion in 1979.

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Medical care and hospital services.—The VA will continue to stress the care of veterans with service-connected disabilities as well as care of the rapidly growing population of elderly veterans in 1978 and 1979. To the extent that available facilities and staff are not utilized fully by these veterans, services also will be available for veterans unable to pay the cost of medical care. Proposed legislation seeks reimbursement to the VA from health insurers for treatment of insured veterans' non-service-connected disabilities. This recognizes that an insurer's obligation to premium-paying veterans is no different from its obligation to insured nonveterans. Additional legislation is being proposed to limit travel reimbursement for those veterans treated for non-service-connected disabilities. These legislative proposals would help focus VA resources on the provision of quality care to those with service-connected disabilities and are expected to save $19 million, $158 million, and $231 million in 1977, 1978, and 1979, respectively.

In 1978, medical care for veterans will be improved through increased direct care staff and new and expanded medical programs. The capacity of nursing homes will be increased by the addition of more than 350 beds. VA will continue to introduce new procedures that improve hospital care for veterans, such as streamlining the pharmacy program and centralizing the scheduling of veterans for care. Other special medical programs will target services on aging, physically disabled veterans and veterans making the transition from hospital care to their homes.

The 1978 budget provides outlays for medical research in such varied areas as aging, spinal cord regeneration and adaptive equipment for disabled veterans. Two additional geriatric research, education and clinical centers will be opened, to provide further leadership in meeting the needs of aging veterans. The budget also requests outlays in 1978 and 1979 to sustain current commitments to health manpower training programs and for a limited number of new training grants in needed specialty areas.

MEDICAL CARE FOR VETERANS

Program indicator	1976 actual	1977 estimate	1978 estimate
Number receiving hospital care (thousands)	1,179	1,235	1,285
Staff-to-patient ratio for VA hospitals	1.75:1	1.82:1	1.84:1
Number receiving contract hospital care at VA expense (thousands)	29.3	32.4	32.4
Number receiving extended care (thousands)	72.1	80.5	84.3
Outpatient medical visits (millions)	16.4	16.5	17.5

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Construction of hospital and extended care facilities.—Record high budget authority of $526 million is requested for 1978 to fund the construction of VA replacement hospitals at Martinsburg, W. Va., and Portland, Oreg., and to complete Presidential commitments to remedy deficiencies identified in the 1974 "Quality of Care Survey." In 1979 budget authority is included to fund construction of replacement hospitals at Seattle, Wash., and Little Rock, Ark. Budget authority requested for 1978 and 1979 also supports medical construction and renovation to correct present inadequacies and to provide a variety of new health care facilities. For the first time a planning process designed to prepare thoroughly major construction project preliminary design and cost estimates is required before funds for specific projects are requested. Finally, budget authority of $15 million is requested in 1978 for grants to States for the construction of extended care facilities, permitting the establishment or repair of additional State veterans homes for the care of aging veterans.

Veterans housing.—In 1978 the VA mortgage loan guarantee and direct loan programs are expected to assist 363,000 veterans to obtain mortgage loans totaling $12.9 billion. Legislation is proposed to end the housing entitlement for persons entering the Armed Services in the future. Present-day recruits are paid wages that are competitive in the labor market, and therefore, have the same ability as their civilian contemporaries to set aside capital for this major investment.

CREDIT PROGRAMS—VETERANS BENEFITS AND SERVICES

[In millions of dollars]

Program	1976 actual	TQ actual	1977 estimate	1978 estimate
Income security:				
Insurance policy loans:				
Direct loan disbursements [1]	132	35	118	118
Direct loan repayments [2]	120	27	108	105
Direct loans outstanding, end of period	1,142	1,149	1,159	1,172
Education:				
Direct loan disbursements [1]	6	1	15	1
Direct loan repayments	1	*	1	2
Direct loans outstanding, end of period	7	8	22	22
Housing:				
Direct loan disbursements [1]	399	102	418	451
Direct loan repayments [2]	459	141	688	448
Direct loans outstanding, end of period	1,681	1,631	1,331	1,293
Guaranteed loans outstanding, end of period	64,116	64,763	70,822	77,369

[1] New loans; does not include write-offs of loans, forgiveness credits, or other adjustments.
[2] Includes sale of loan assets.

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Other veterans benefits and services.—In 1976, government agencies and private industry, led by Jobs for Veterans and the National Alliance of Businessmen, focused their job opportunity efforts on three subgroups of veterans: minorities, the young, and disabled. Activities in 1977 continue to concentrate on these groups of veterans which are especially hard-hit by high rates of unemployment.

The Veterans Administration administers a National Cemetery System for burial of eligible veterans, servicemen, and their survivors. Five new National Cemeteries (in California, New York, Pennsylvania, Massachusetts, and Northern Virginia) are under development. Legislation is proposed to expand the number of burial sites by providing grants to States for the establishment and operation of veterans cemeteries.

Other activities in the subfunction include VA Headquarters and nonmedical field administration. Outlays for all programs in this subfunction are estimated to be $603 million in 1978 and $612 million in 1979.

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LAW ENFORCEMENT AND JUSTICE

This function includes programs that support Federal courts and the judicial system, provide police protection, contribute to the apprehension, prosecution, detention and rehabilitation of criminals, and provide for Government representation in civil litigation. Federal financial and technical assistance to State and local criminal justice systems and legal assistance for indigent individuals are also included.

Budget Proposals

- Shift FBI investigative resources into activities aimed at white collar and organized crime.
- Strengthen programs to reduce smuggling and domestic traffic in narcotics and dangerous drugs.
- Increase litigative and investigative staff to handle new workload.
- Construct new correctional facilities and expand existing facilities to provide additional space for Federal prisoners.

Federal outlays for these purposes are estimated to increase by $77 million to $3.8 billion in 1978, including $827 million to assist State and local governments. Federal outlays are estimated to be $3.8 billion in 1979. Estimated outlays for State and local assistance programs decline in 1979 and direct Federal activities increase modestly. Further discussion of Federal activities in the law enforcement area is contained in Special Analysis N, "Federal Programs for the Reduction of Crime."

Federal law enforcement and prosecution.—Outlays for Federal law enforcement and prosecution are estimated to increase slightly in 1978 to a level of $2.2 billion. No significant changes are anticipated in 1979.

Litigation.—Most Federal litigation, both civil and criminal, is conducted by the Department of Justice. Staff increases are proposed in 1978 for the Washington-based antitrust, criminal, civil, and tax divisions. These proposed increases are intended primarily to handle increased workloads resulting from the Speedy Trial Act, the Freedom of Information Act, the Privacy Act, and the Tax Reform Act of 1976. A 4% increase in the staff of the U.S. Attorneys' offices is proposed to deal with growing civil and criminal caseloads.

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LAW ENFORCEMENT AND JUSTICE [1]

[In millions of dollars]

Program or agency	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
Federal law enforcement and prosecution:					
Litigation:					
Justice Department	309	249	289	304	311
Legal Services Corporation and other	115	105	147	115	117
Enforcement:					
Federal Bureau of Investigation	529	469	515	529	530
Drug Enforcement Administration	181	146	176	184	184
Bureau of Alcohol, Tobacco and Firearms	137	103	122	135	137
Customs Service	383	334	358	383	386
Immigration and Naturalization Service	254	201	242	253	252
Secret Service	130	105	121	128	130
Other enforcement	171	140	165	187	171
Subtotal, Federal law enforcement and prosecution	2,209	1,852	2,134	2,219	2,218
Federal judicial activities	**423**	**313**	**387**	**423**	**440**
Federal correctional and rehabilitative activities	**336**	**238**	**290**	**327**	**354**
Law enforcement assistance	**714**	**921**	**907**	**827**	**750**
Deductions for offsetting receipts	**−6**	**−4**	**−6**	**−6**	**−6**
Total	**3,677**	**3,320**	**3,712**	**3,789**	**3,756**

[1] Information on budget authority for 1976, 1977, and 1979, and data for the transition quarter are shown in tables 14 and 15 of Part 9.

The Legal Services Corporation provides aid in noncriminal cases for clients who are unable to afford legal services; outlays are estimated to be $90 million in 1978.

Enforcement.—The budget proposes a shift of resources within Federal law enforcement activities to reflect changing priorities. Increases in pay and other operating costs in bureaus and agencies responsible for investigation and enforcement of Federal laws require additional funds in 1978 and 1979 to maintain services at current levels.

The Federal Bureau of Investigation plans some decrease in employment in 1977. These personnel reductions will be partially offset by increasing staff to eliminate the backlog of Freedom of Information Act requests. In 1978, additional staff are requested to automate the FBI's Identification Division; this should lead to significant personnel reductions by 1981. Outlays are estimated to increase by 3% in 1978 to $529 million.

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The Drug Enforcement Administration (DEA) continues to focus on high-level drug traffickers to disrupt distribution channels and criminal organizations. The cooperative Federal-State-local drug task forces are designed to assist State and local authorities in dealing with street level drug abuse and are proposed for DEA funding in 1978. Funds and staff are also requested to expand DEA's national drug intelligence system.

In 1976, the Bureau of Alcohol, Tobacco and Firearms began an intensive effort to curtail illegal commerce in firearms in three test cities. A proposal to expand this program will be considered after completion of tests in these cities. Liquor enforcement activities are expected to be reduced further in 1978, reflecting recent declines in the production of illegal liquor.

The U.S. Customs Service intends to focus new resources on narcotics smuggling at ports of entry by expanded use of mechanical detection devices and "sniffer dog" teams. This effort, coupled with increased staff to handle anticipated growth in import tonnage and international travel and additional overtime costs resulting from new legislation, would increase estimated 1978 outlays by $25 million to $383 million.

The Immigration and Naturalization Service faces additional work and higher operating costs in 1977 and 1978, in large measure because of amendments to the immigration laws and other statutes. Additional personnel are requested to staff new and expanded ports of entry and to improve services to the public; outlays are estimated to increase by 5% in 1978.

Constitutional guarantees of equality are enforced through civil rights programs of the Department of Justice and other Federal agencies. These programs are discussed in detail in Special Analysis M, "Federal civil rights activities."

Federal judicial activities.—By law, budget estimates for the Judiciary are forwarded to the Congress without change. For 1978, the budgets of the Supreme Court, the appellate and district courts, other activities of the judicial branch that are categorized in this subfunction, and certain other judicial activities amount to $423 million, an increase of 9% from the 1977 level. By 1979 these outlays are estimated to be $440 million, a 4% increase over 1978.

Federal correctional and rehabilitative activities.—Additional incarceration space is proposed to relieve overcrowding, accommodate a larger inmate population and reduce the use of older, inadequate institutions. Funds are recommended to open one new facility and to expand two existing facilities. Funds are requested to continue construction of youth facilities in Alabama, California, New

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York, and the New Jersey-Philadelphia area, an adult institution in New York, and a detention facility in Detroit. New construction of adult institutions in the south central and west coast areas is planned. Outlays are expected to increase by 13% in 1978 and by 8% in 1979.

Law enforcement assistance.—The Law Enforcement Assistance Administration (LEAA) assists States and localities in improving criminal justice systems. Proposed LEAA outlays for 1978 decline by 9% from 1977 and by an additional 9% in 1979, as States and localities are encouraged to assume the responsibility of operating successful programs. Efforts to consolidate programs and focus resources on projects with demonstrated positive impacts on crime reduction and criminal justice system improvements will continue.

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GENERAL GOVERNMENT

The general government function encompasses basic Federal activities including the legislative branch, the Executive Office of the President, collection of taxes and similar revenues, and Government-wide operations affecting property, supplies, and personnel. Budget outlays for general government programs are estimated to increase from $3.7 billion in 1977 to $3.9 billion in 1978 and $4.0 billion in 1979. Total outlays for general government programs including the off-budget Federal Financing Bank are estimated to decline from $12.5 billion in 1977 to $9.9 billion in 1978 then rise to $10.2 billion in 1979.

Budget Proposals

- Expand the audit and investigations of tax returns of high level traffickers of illicit drugs.
- Accelerate repairs and major alterations of Government-owned buildings to improve space utilization.

Legislative functions.—By law, the President's budget contains estimates for the legislative branch as they are submitted by that branch, without change. The legislative branch proposes to spend $914 million in 1978 for the Congress, the General Accounting Office, the Congressional Budget Office, and other activities classified in this subfunction, an increase of 5% from 1977. By 1979, outlays for these programs are estimated to be $898 million.

Executive direction and management.—Outlays for the White House, the Executive Office of the President, and related activities are expected to be $74 million in 1978, an 8% decline from 1977. The President is proposing the extension of the Council on Wage and Price Stability beyond its current expiration date of September 30, 1977, to September 30, 1979. In addition to appraising the potential inflationary impact of policies and practices of the Federal Government, the Council monitors wage and price levels in the various sectors of the economy.

Central fiscal operations.—Additional resources are proposed to permit the Internal Revenue Service to improve the matching of tax returns and information documents. In addition, more investigations are planned to be conducted into the tax returns filed by persons identified as high-level drug traffickers as part of the President's special emphasis on curtailing the flow of illicit narcotics. IRS staff

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GENERAL GOVERNMENT[1]

[In millions of dollars]

Program or agency	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
Legislative functions	837	677	868	914	898
Executive direction and management	74	68	80	74	73
Central fiscal operations:					
Collection of taxes	1,881	1,682	1,801	1,884	1,897
Other fiscal operations	250	116	182	240	242
Subtotal, central fiscal operations	2,130	1,798	1,983	2,124	2,139
General property and records management	339	95	328	358	356
Central personnel management	113	107	110	111	113
Other general government:					
Territories	111	117	151	112	109
Proposed legislation	9	-------	-------	4	5
Treasury claims	228	142	219	228	174
Other	214	195	175	156	301
Subtotal, other general government	563	454	545	500	589
Deductions for offsetting receipts	−152	−272	−184	−152	−152
Total	**3,904**	**2,927**	**3,731**	**3,930**	**4,016**
Off-budget Federal entity: Federal Financing Bank	*(9,963)*	*(5,863)*	*(8,741)*	*(5,936)*	*(6,233)*
Total, including off-budget Federal entities	*(13,867)*	*(8,790)*	*(12,472)*	*(9,866)*	*(10,248)*

[1] Information on budget authority for 1976, 1977, and 1979, and data for the transition quarter are shown in tables 14 and 15 of Part 9.

are also being increased in 1977 and 1978 to implement the Tax Reform Act of 1976.

General property and records management.—For the General Services Administration (GSA), the budget reflects an emphasis on the use of existing space as opposed to new construction. Proposed authority for the repair and alterations program increases from $61 million in 1977 to an estimated $205 million in 1978. This would be a major step toward eliminating the backlog of GSA repair and alteration projects. A more equitable and realistic appraisal method is being used to determine rental rates paid by Federal agencies to GSA for space and related services. The new method makes GSA operations more comparable with the private sector. Provisions of the

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Presidential Transition Act are in effect this year. Total 1977 budget authority available for incoming and outgoing administrations is $3 million.

Central personnel management.—During the past year, pursuant to the statute providing for quadrennial review, the Commission on Executive, Legislative, and Judicial Salaries furnished recommendations to the President on salary increases for high-level Federal officials. Further discussion of the Commission's recommendations is contained in the Allowances section later in this document. The annual comparability pay adjustment for Federal civilian agency employees is also discussed in the Allowances section.

To ensure that staffing procedures produce high-quality candidates for Federal jobs on a timely and merit basis, the President recommends that a comprehensive independent review of the Federal staffing system be undertaken.

Budget authority for new Federal grants to State and local governments under the Intergovernmental Personnel Act (IPA) is not recommended beyond 1977 since the administration believes that the States and localities should now have sufficient experience with this program to determine what priority should be given to personnel management improvement. To the extent that it has priority, it should warrant their own financing or use of general revenue sharing funds.

Other general government.—Outlays in this subfunction—which includes assistance to U.S. territories, payment of claims and judgments against the Federal Government, various commissions, and the Government Printing Office—are estimated to total $500 million in 1978 and $589 million in 1979. Outlays for the Northern Mariana Islands are estimated to increase from $10 million in 1977 to $16 million in 1978 as a result of the recently enacted Northern Mariana Islands Commonwealth Covenant. In addition, an estimated $73 million will be provided to the government of the Trust Territory of the Pacific Islands for government operations and to continue capital improvements.

Federal Financing Bank.—The Federal Financing Bank (FFB) was created by law in 1973 as an off-budget Federal entity. A major purpose of the FFB is to consolidate, in one institution, the Government-guaranteed borrowing that occurs in the securities market, thereby reducing interest costs to the Federal Government. The FFB achieves that goal by acquiring loans guaranteed by Govern-

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ment agencies that would normally be sold directly to the public. In addition, the FFB makes direct loans under agency guarantee programs. Agency loan sales to the FFB are counted as FFB outlays and as offsets to the outlays of the agencies selling the loans. Since the FFB is off-budget, such transactions reduce total budget outlays. Legislation is being proposed to include the transactions of the FFB in budget totals beginning with the 1979 budget. The FFB also buys debt securities sold by several Federal agencies, but these transactions are reflected in agency budgets rather than as FFB outlays.

At the end of 1976, the FFB had 392 loans and advances outstanding totalling $22.4 billion. These outstanding balances are estimated to total $48 billion at the end of 1978. Further discussion is contained in part 2 of this document and Special Analyses C and E in the *Special Analyses* volume.

MAJOR CREDIT PROGRAMS—GENERAL GOVERNMENT

[In millions of dollars]

Program	1976 actual	TQ actual	1977 estimate	1978 estimate
Off-budget Federal entity—Federal Financing Bank:				
Direct loan disbursements [1]	*8,876*	*2,859*	*11,363*	*8,264*
Direct loan repayments	*2,745*	*236*	*2,624*	*2,270*
Direct loans outstanding, end of period [2]	*12,413*	*15,036*	*23,776*	*29,779*

[1] New loans; does not include write-offs of loans, forgiveness credits or other adjustments.
[2] Includes loans guaranteed by other Federal agencies and programs.

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REVENUE SHARING AND GENERAL PURPOSE FISCAL ASSISTANCE

This function includes Federal aid to State, local, and territorial governments that is available for general fiscal support and may be used at the State and local governments' discretion for a range of purposes. Outlays are estimated to decline from $8.9 billion in 1977 to $8.1 billion in 1978 and $8.3 billion in 1979 reflecting the expiration of the temporary Antirecession fiscal assistance fund.

Budget Proposals

- Fund the reauthorized general revenue sharing program at $6.8 billion in 1978 and $6.9 billion in 1979.
- Provide a Federal payment to the District of Columbia of $290 million in 1978.
- Conclude temporary emergency assistance for New York City.
- Initiate a newly enacted program of payments to States in lieu of taxes on Federal lands.

General revenue sharing.—General revenue sharing (GRS) continues to be a key element of Federal Government support of State and local governments. Full funding of the authorization, recently extended through 1980 by the State and Local Fiscal Assistance Amendments of 1976, is requested. One-third of the $6.8 billion outlay request for 1978 will go to State governments and two-thirds to local governments.

During the initial 5-year program, $30.2 billion was distributed to States and localities with minimal Federal restrictions. While 5% of the State and local governments have actually been able to reduce taxes because of general revenue sharing assistance, 34% reported that GRS enabled them to prevent increased taxes. General revenue sharing funds are used primarily to help fund public safety projects (24%), educational systems (22%), and public transportation systems (13%). The uses, however, are as varied as are the specific needs of the Nation's regions and its 38,000 States, cities, counties, and townships. Local decisions on fund use range from the purchase of recreational equipment for an isolated Alaskan Indian village to investment in subway equipment in New York City. Each community determines—with minimal Federal requirements—how GRS funds will be spent.

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The new 3¾-year authorizations will distribute over $25.6 billion through 1980 with a maximum of $6.9 billion per year. The principal Federal requirements of this program seek to assure nondiscrimination and public participation in spending decisions.

REVENUE SHARING AND GENERAL PURPOSE FISCAL ASSISTANCE [1]

[In millions of dollars]

Program	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
General revenue sharing:					
General revenue sharing payments	6,855	6,238	6,776	6,814	6,855
Administration	5	2	6	5	5
Subtotal, general revenue sharing	6,860	6,240	6,782	6,819	6,860
Other general purpose fiscal assistance:					
Antirecession fiscal assistance	----------	-------	1,250	-------	--------
Payments to States from forest service receipts	191	89	50	191	208
Payments to States and counties from Federal land management activities	372	180	249	374	408
Payments to Puerto Rico and the Virgin Islands from duties, taxes, and fees	357	373	349	356	357
Payments to the District of Columbia	298	232	245	298	300
Taxable municipal bond option (proposed legislation)	990	-------	-------	44	114
Other	6	4	1	7	5
Subtotal, other general purpose fiscal assistance	2,214	879	2,144	1,270	1,393
Total	**9,074**	**7,119**	**8,926**	**8,089**	**8,253**

[1] Information on budget authority for 1976, 1977 and 1979, and data for the transition quarter are shown in tables 14 and 15 of Part 9.

Other general purpose fiscal assistance.— In addition to general revenue sharing, the Federal Government provides other funds with minimal restrictions to States and localities.

Antirecession fiscal assistance.—The Public Works Employment Act of 1976 created the antirecession financial assistance fund which can provide up to $1,250 million in grants to States and localities where the unemployment rate exceeds certain legislated standards. This program is designed to assist areas where local unemployment rates create fiscal hardships. As in general revenue sharing, one-third of the funds are disbursed to State governments and two-thirds

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to local governments. Payments are based on formulas which consider both the relative size of 1976 general revenue sharing payments and the local unemployment rates.

This program is authorized only through September 30, 1977, and it is estimated that all available funds will be spent before that date. The budget does not propose extension of this program, which was enacted to be a temporary aid to States and localities.

Other payments.—Some jurisdictions also receive payments from the Federal Government based on percentages of receipts generated from Federal property and lands. Receipts from the sale of timber, mineral leases, grazing permits and other activities are shared with the jurisdiction in which the moneys are generated. Under a new law, Public Law 94–565, payments are provided to local governments in lieu of taxes for certain Federal lands contained within their jurisdictions. The Departments of Interior and Agriculture will return an estimated $565 million in 1978 and $616 million in 1979 to State and local jurisdictions. In addition, Federal taxes and other revenues generated or collected in the Virgin Islands and Puerto Rico by various Federal agencies are returned to those bodies for their fiscal support.

The District of Columbia's operating budget is financed by local taxes and annual payments by the Federal Government in recognition of the costs to the local government of the Federal establishment. For 1978 a Federal payment of $290 million, water and sewer reimbursement charges of $8 million, and a one-time allowance of $20 million to put Federal reimbursements for water and sewer services on a current basis are requested. A supplemental Federal payment of $20 million for 1977 is also proposed to help finance general pay raises for most city employees.

The District of Columbia Self-Government and Governmental Reorganization Act of 1973 (the "Home Rule Act") authorized the city to issue short-term notes on its own behalf. Accordingly, interest-free cash advances from the U.S. Treasury to the District are no longer warranted. The 1978 estimate provides for repayment of all outstanding Treasury advances and anticipates that the city will exercise its authority to borrow in the private market for short-term, cash management purposes. Total net payments to the District are estimated to be $298 million in 1978 and $300 million in 1979.

Public Law 94–143 established the New York City seasonal financing fund and authorized short-term loans to that city through June 30, 1978. These loans may not exceed $2.3 billion at any time and must be repaid at the end of the city's fiscal year and bear interest at a rate 1 percentage point above current Treasury borrowing rates. These loans by the Treasury are purchased by the Federal Financing Bank

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and do not presently appear in the Federal budget totals. The administrative costs of servicing these loans are shown in the budget. The direct loan transactions are reflected in the budget schedules of the Federal Financing Bank. See page 911 of Budget Appendix.

Major tax expenditures also provide fiscal assistance to States and localities. The exclusion from taxable income of interest paid on State and local obligations allows these governments to borrow at lower interest rates, resulting in an annual interest savings of $3.6 billion. The revenue thus foregone by the Treasury is estimated to be $5.0 billion in 1978, under current law. In addition, the deductibility of State and local taxes from gross income allows individuals who itemize deductions to partially offset their State and local taxes through reduced Federal taxes; the revenue loss is estimated to be $13.5 billion in 1978.

Legislation is proposed to provide an incentive to States and localities to issue taxable, rather than tax-exempt, State and municipal bonds. Currently, interest income from most municipal securities is not subject to Federal income tax, allowing municipalities to borrow at lower interest rates. Under the taxable bond option, subsidies would be provided directly to those State and local jurisdictions opting to borrow money at the higher interest costs of the taxable bond market. The Treasury would provide a 30% subsidy payment of interest to the municipalities for issuing their debt securities on a taxable basis. In addition, a maximum 20% subsidy payment is proposed for those industrial development bonds, which are municipal securities that primarily benefit private concerns, for those jurisdictions that agree to issue taxable securities. Associated outlays of $44 million in 1978 would largely be offset by additional tax receipts. Further discussion of this proposal is contained in Part 4, Budget Receipts.

Most Federal grants to State and local governments are classified in other functions of the budget because they are intended to meet particular program objectives rather than provide general financial support. Functions that include substantial funds for grants to State and local governments are: natural resources, environment and energy; commerce and transportation; community and regional development; education, training, employment, and social services; health; income security; and law enforcement and justice. The administration continues to support reform of grant programs by consolidating narrow categorical grants into broad-based block grants. A detailed discussion of Federal assistance to State and local governments is contained in Special Analysis O, "Federal Aid to State and Local Governments," in the *Special Analyses* volume.

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INTEREST

Interest is the cost of borrowing or income from lending money. This function includes both interest paid and received by the Federal Government associated with borrowing to help finance Federal programs. Budget outlays for the interest function are estimated to increase by $1.7 billion in 1978, reaching a gross level of $39.7 billion. By 1979, these costs will be an estimated $42.4 billion. These estimates result from financing unified budget deficits of $57 billion in 1977, $47 billion in 1978, and $12 billion in 1979 and from financing the cumulative deficits of the past. They also include the effects of Federal borrowing to finance off-budget Federal entities. The estimated amount of additional Federal borrowing necessary for off-budget operations is $11 billion in 1977, $9 billion in 1978, and $11 billion in 1979.

These outlay estimates are based on short-term interest rates of 4.4%. This rate is assumed constant during the forecast period. Although interest rates are unlikely to remain constant, their levels are extremely difficult to predict. Accordingly, in making budget estimates, it is assumed that they will remain at the levels prevailing when the projections are made.

Interest costs are highly sensitive to changes in interest rates. Assuming no change in the level of debt, a ½ percentage point increase in interest rates as of April of 1977 would increase 1977 interest outlays by $0.3 billion, 1978 outlays by $1.4 billion, and 1979 outlays by $1.9 billion.

A substantial portion of interest outlays is paid to trust funds on securities held by the funds. Since the payment of interest is not made to the public, but consists of transactions within the Federal Government itself, these amounts are deducted from budget authority and outlays before arriving at unified budget totals. As shown in the

INTEREST [1]

[In millions of dollars]

Program	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
Interest on the public debt [2]	44,600	37,063	42,000	44,600	47,300
Other interest	−4,866	−2,474	−4,013	−4,865	−4,881
Total	**39,734**	**34,589**	**37,987**	**39,735**	**42,419**

[1] Information on budget authority for 1976, 1977, and 1979, and data for the transition quarter are shown in tables 14 and 15 of Part 9.
[2] Includes interest paid on the public debt held by Government investment accounts.

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table below, net interest outlays—the interest function minus the interest received by trust funds—are projected to be $31.1 billion in 1978 and $32.7 billion in 1979. These estimates of net interest include outlays due to off-budget operations.

NET INTEREST

[In millions of dollars]

	1976 actual	1977 estimate	1978 estimate	1979 estimate
Outlays for the interest function	34,589	37,987	39,735	42,419
Interest received by trust funds	−7,800	−8,201	−8,659	−9,700
Net interest outlays	**26,789**	**29,787**	**31,076**	**32,719**
Deduct: Deposit of earnings by Federal Reserve System [1]	5,451	6,000	6,400	6,800
Net impact [2]	**21,338**	**23,787**	**24,676**	**25,919**

[1] Shown as budget receipts.
[2] Net amount of interest to be paid from receipts or other means of financing.

In addition, Federal Reserve banks hold Government securities as part of their monetary functions. The Federal Reserve banks return most of the interest they receive on those securities back to the Treasury as budget receipts. Those receipts are projected to be $6.4 billion in 1978 and $6.8 billion in 1979. Deducting these receipts from net interest totals results in a net impact on the budget of $24.7 billion in 1978 and $25.9 billion in 1979. The net impact of interest is the amount of interest that must be paid from receipts or additional borrowing to meet Federal financing and off-budget financing requirements.

A significant tax expenditure arises from the optional deferral of interest income on U.S. savings bonds. Normally, the interest on savings bonds would be taxed each year as it is credited, but by terms of such bonds, the holder may defer paying the tax until the bond is redeemed. The associated revenue loss is projected to be $625 million in 1978.

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ALLOWANCES

Allowances are included in the 1978 budget to allow for statutory pay increases for Federal civilian agency employees and unforeseen requirements that may arise.

ALLOWANCES [1]
[In millions of dollars]

Program	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
Civilian agency pay raises	1,199	-------	-------	1,151	2,311
Contingencies for:					
Relatively uncontrollable programs	---------	-------	-------	-------	---------
Other requirements	1,750	-------	-------	1,500	2,000
Total	**2,949**	-------	-------	**2,651**	**4,311**

[1] Information on budget authority for 1976, 1977, and 1979, and data for the transition quarter are shown in tables 14 and 15 of Part 9.

The Federal Pay Comparability Act of 1970 provides a system for annually adjusting Federal white-collar pay on the basis of comparability with the private sector. Major improvements in the system, proposed last year by the President's Panel on Federal Compensation, were initiated by administrative action. These improvements included the use of survey data with respect to secretaries and computer operators and more representative weighting of the survey data. An average increase in pay rates of 4.83%, as of October 1, 1976, resulted from incorporating such improvements.

Based on recent private sector earnings data and consistent with the economic assumptions of this budget, the October 1977 and October 1978 Federal pay increases for white-collar employees are currently estimated to average 6.5% and 6.25%, respectively, under the comparability principle. However, the President may propose an alternative plan to delay the effective date of the comparability adjustment or for a different rate of adjustment. A final recommendation on each October pay increase will be made in late summer after a review of the recommendations of the President's pay agent, the Federal Employees Pay Council and the Advisory Committee on Federal Pay, and a review of the economic situation at that time.

The President's Panel on Federal Compensation recommended further changes in the Federal pay system that require legislative action. Legislation is required to carry out the recommendations for reform of certain aspects of law governing wage-board pay rates which currently result in blue-collar workers earning more than their private

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sector counterparts. When enacted, the revisions in the wage board system could result in an estimated saving of $42 million in 1978 budgets for civilian agencies. The Panel also proposed splitting the present general schedule into two schedules and setting salaries in the new clerical and technical schedule on a locality basis.

The Commission on Executive, Legislative, and Judicial Salaries has recently recommended salary increases for Cabinet officers, judges, Congressmen, and other top-level Government officials. The salary recommendations of the Commission are coupled with recommendations for a new "Code of Public Conduct" that would, among other provisions, limit outside income. In accordance with the statute providing for quadrennial review procedures, salary rates recommended by the President will go into effect during the first pay period 30 days after transmittal of the budget to the Congress. These recommendations are contained in the Supplement to this budget. The rates may be modified by a vote of either House of the Congress within that 30-day period.

The allowance for relatively uncontrollable programs is assumed to be zero since the probability of estimates higher or lower than the budget estimates is equal. An allowance for other requirements is included. This is not based on a specific list of future needs, but a rough estimate taking into account past experience with unanticipated requirements.

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UNDISTRIBUTED OFFSETTING RECEIPTS

Offsetting receipts (which are shown in detail in budget table 12 in Part 9 of the budget) are generally deducted from budget totals at the function or agency levels. However, there are three such payments that are extremely large and to include them at the function or agency level would either present a distorted view of Federal program costs or result in counting outlays twice under the unified budget concept.

UNDISTRIBUTED OFFSETTING RECEIPTS [1]

[In millions of dollars]

Program or agency	Recommended budget authority for 1978	Outlays			
		1976 actual	1977 estimate	1978 estimate	1979 estimate
Employer share, employee retirement	−4,654	−4,242	−4,592	−4,654	−5,030
Proposed legislation	−16	.....	.....	−16	−77
Interest received by trust funds	−8,574	−7,800	−8,201	−8,574	−9,193
Proposed legislation	−85	.....	.....	−85	−507
Rents and royalties on the Outer Continental Shelf	−3,100	−2,662	−2,600	−3,100	−2,500
Total	−16,429	−14,704	−15,393	−16,429	−17,307

[1] Information on budget authority for 1976, 1977, and 1979, and data for the transition quarter are shown in tables 14 and 15 of Part 9.

Employer share, employee retirement.—This category is composed of payments by Federal agencies to various employee retirement funds. These contributions are outlays of the agency and receipts of the respective retirement fund. They are deducted in determining budget totals to properly reflect transactions with the public. About two-thirds of these payments are to the civil service retirement fund with the remainder paid mostly to the social security trust funds.

Interest received by trust funds.—By law, most trust fund balances are invested in Federal securities. The interest received by trust nonrevolving funds is deducted from the budget totals, under the unified budget concept, to reflect only transactions with the public.

Rents and royalties on the Outer Continental Shelf (OCS).—These estimates are largely made up of cash bonuses received from the leasing of new OCS lands with promise of containing oil and gas. Annual rentals on existing leases and royalties based on a percentage of the value of production are also included. The budget projections assume that six scheduled OCS sales will be conducted annually in 1978 and 1979. No final decision will be made on any of those sales until environmental studies and other requirements under the National Environmental Policy Act have been completed.

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PART 6

SELECTED ASPECTS OF THE BUDGET

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SELECTED ASPECTS OF THE BUDGET

This part of the budget explains several topics that help place the budget in perspective: budget authority, the relationship of budget funds to changes in Federal debt, an explanation of differences between the original budget estimates of outlays under the relatively uncontrollable programs and the actual outlays for these programs, and a similar reconciliation for receipts estimates.

BUDGET AUTHORITY

The Congress must provide budget authority, generally in the form of appropriations, before Federal agencies can obligate the Government to make outlays. For 1978, $480.7 billion of new on-budget budget authority and $94.4 billion in new budget authority for off-budget Federal entities are proposed.

Of the new, on-budget budget authority proposed for 1978, $287.7 billion will require congressional action. The remaining $193.0 billion will be available under existing laws. It consists mainly of trust fund receipts, which in most programs are automatically appropriated by existing law, and interest on the public debt, for which budget authority is automatically provided under a permanent appropriation enacted in 1847. Most off-budget budget authority will be available under existing law.

Not all of the new budget authority for 1978 will be obligated or spent in that year.

- Budget authority for most trust funds authorizes the expenditure of the funds' receipts from special taxes and contributions and from Federal fund payments to the trust funds, to be used as needed over a period of years for benefit payments and other purposes specified by law.
- Budget authority for many construction and procurement programs covers the estimated full cost of projects at the time they are started, although the outlays will occur over a number of years as work on the projects progresses.
- Budget authority for the subsidized housing programs is equal to the Government's maximum contractual obligation to pay rental subsidies under contracts that extend over periods of up to 40 years.
- Budget authority for many direct loan programs provides financing for a period of years; budget authority for many insurance and

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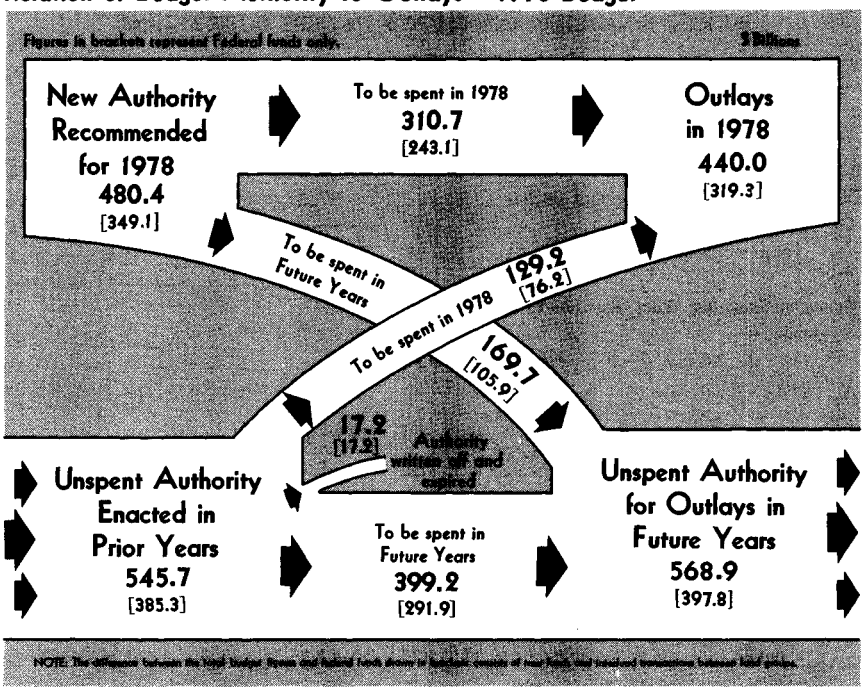
guaranteed loan programs consists of amounts to be used only in the event of defaults or other claims made under the programs.

As a result of these factors, a substantial amount of budget authority carries over from one year to the next. Most of this is earmarked for specific uses and is not available for new program proposals.

Relation of Budget Authority to Outlays—1978 Budget



As shown in the preceding chart, $129.2 billion of budget outlays in 1978, 29% of the total, will be made from budget authority enacted for previous years. Conversely, $169.7 billion of the new budget authority proposed for 1978, which is 35% of the total amount proposed, will not result in outlays until future years. The relationships between budget authority, obligations and outlays are discussed further in Part 7 of the budget and traced in table 9 of Part 9.

Once budget authority is provided, the Congressional Budget and Impoundment Control Act requires that any available amounts withheld from use must be reported to the Congress in rescission or deferral messages. The Congress may require release of these funds by overturning the proposed deferral of budget authority or by not taking action on the proposed rescission.[1]

[1] See discussion in Part 7 of the budget.

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BUDGET FUNDS AND THE FEDERAL DEBT

The budget may be divided into two major groups of funds: Federal funds and trust funds.

The Federal funds are derived mainly from taxes and borrowing and are used for the general purposes of the Government. Most of these funds are not restricted by law to any specific Govern-

BUDGET FINANCING AND CHANGE IN DEBT OUTSTANDING

[In billions of dollars]

Description	1976 actual	TQ actual	1977 estimate	1978 estimate
Budget surplus or deficit (−)	**−66.5**	**−13.0**	**−57.2**	**−47.0**
Deficit (−) of off-budget Federal entities	**−7.2**	**−1.8**	**−10.8**	**−9.2**
Total, surplus or deficit (−)	−73.7	−14.7	−68.0	−56.1
Means of financing other than borrowing from the public:				
Decrease or increase (−) in cash and monetary assets	−8.0	−2.9	5.7	.....
Increase or decrease (−) in liabilities for:				
Checks outstanding, etc	−1.0	−.5	−*	.1
Deposit fund balances	−1.1	*	−.2	−*
Seigniorage on coins	.7	.1	.4	.5
Total, means of financing other than borrowing from the public	−9.3	−3.3	6.0	.6
Total, requirements for borrowing from the public	−82.9	−18.0	−62.0	−55.5
Reclassification of securities [1]	−.5	.....	.....	.....
Change in debt held by the public	**83.4**	**18.0**	**62.0**	**55.5**
Change in Federal agency investments in Federal debt:				
Federal funds	2.7	−1.6	.4	.3
Trust funds	1.4	−2.6	8.0	13.3
Off-budget Federal entities	.3	.6	−.1	−.8
Total, change in Federal agency investments in Federal debt	4.3	−3.5	8.3	12.7
Change in gross Federal debt	**87.7**	**14.5**	**70.3**	**68.2**

*$50 million or less.

[1] As of July 1, 1975, Federal debt held by the public increased by $0.5 billion due to a retroactive reclassification of Export-Import Bank certificates of beneficial interest from treatment as asset sales to treatment as debt.

ment purpose. The trust funds, on the other hand, collect certain taxes and other receipts for specified purposes, such as the payment of social security and unemployment insurance benefits.[2]

[2] Data for Federal funds and trust funds are presented in Special Analysis B, "Funds in the Budget," in Special Analyses, Budget of the United States, Fiscal Year 1978.

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The budget combines the receipts and outlays of the Federal funds and trust funds and deducts the various transactions that occur between them. It therefore generally displays the net transactions of the Federal Government with the public. Thus, as is shown in the previous table, the unified budget surplus or deficit is the principal determinant of the change in Federal debt held by the public.[3] Since 1974, however, the deficits of the Federal Financing Bank and other off-budget Federal entities have also become an important determinant

BUDGET TOTALS BY FUND GROUP

[In millions of dollars]

	1976 actual	TQ actual	1977 estimate	1978 estimate
Budget receipts:				
Federal funds	201,099	54,085	237,405	258,926
Trust funds	133,695	32,071	153,558	170,515
Interfund transactions	−34,789	−4,383	−36,918	−36,425
Total budget receipts	300,005	81,773	354,045	393,017
Budget outlays:				
Federal funds	269,969	65,106	303,136	319,335
Trust funds	131,286	34,023	145,026	157,057
Interfund transactions	−34,789	−4,383	−36,918	−36,425
Total budget outlays	366,456	94,746	411,243	439,967
Budget surplus or deficit (−):				
Federal funds	−68,870	−11,021	−65,730	−60,409
Trust funds	2,410	−1,952	8,532	13,459
Total budget deficit (−)	**−66,461**	**−12,973**	**−57,198**	**−46,950**
Memorandum:				
Outlays, off-budget Federal entities [1]	*7,196*	*1,767*	*10,785*	*9,156*
Total deficit including off-budget Federal entities	*−73,657*	*−14,740*	*−67,983*	*−56,107*

[1] Off-budget Federal entities have no receipts. Virtually all off-budget outlays would be classified as Federal funds outlays if they were restored to the budget.

of the change in Federal debt held by the public. As discussed in Part 2 of the budget, the transactions of the off-budget Federal entities belong in the budget under basic budget concepts but have been excluded from the budget under provisions of law and are not part of either the Federal funds or the trust funds grouping. Were they to be restored to the budget, virtually all transactions of off-budget Federal entities would be classified as Federal funds transactions.

[3] Federal debt held by the public includes debt held by the Federal Reserve System. At the start of 1977, $96.7 billion of debt held by the public was held by the Federal Reserve System.

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The deficit expected for 1978 and the other factors noted in the preceding table are estimated to increase the Federal debt held by the public from $560.3 billion at the end of 1977 to $615.8 billion at the end of 1978.

Gross Federal debt is the sum of the debt held by the public and the debt held by the Government itself, such as the investments in Treasury debt by the social security trust funds. The Federal funds deficit is the principal determinant of changes in gross Federal debt, but deficits of off-budget Federal entities also have an important effect.

Gross Federal debt is estimated to rise from $716.7 billion on September 30, 1977, to $785.0 billion on September 30, 1978. As indicated in the lower section of the table on "Budget Financing and Change in Debt Outstanding", $12.7 billion of this increase will be held by trust funds and other Federal agencies, reflecting mainly the investment of trust fund surpluses in Treasury debt.

The gross Federal debt consists almost entirely of securities issued by the Treasury Department. However, a few Government agencies are authorized to issue their own debt instruments to the public or to other Government agencies and funds. This borrowing is part of the gross Federal debt. At the end of the transition quarter the outstanding debt of such agencies that was held by the public was $11.7 billion. This debt is expected to fall by small amounts in 1977 and 1978 due to the operations of the Federal Financing Bank, which buys most new issues of agency debt and finances its purchases through Treasury borrowing. To prevent double counting, these holdings are not included in gross Federal debt. Consequently, the change in agency debt is largely determined by the repayment of securities that have matured.

Almost all Treasury debt issues are covered by a statutory debt limit, but most borrowing by Federal agencies other than the Treasury is excluded from this limit. The ceiling on the debt subject to limit is temporarily $682 billion through March 31, 1977, then $700 billion through September 30, 1977, but under existing law is scheduled to return to the permanent limit of $400 billion on October 1, 1977. To permit the Federal Government to meet its obligations, this ceiling will have to be raised not later than September 30, 1977. Under the Congressional Budget Act of 1974, the Congress is to include in its concurrent resolution on the budget the appropriate level of debt and the amount by which the debt subject to limit ought to be changed.

Debt subject to the general statutory limit is somewhat less than gross Federal debt, primarily because of the agency debt excluded from the general statutory limitation. Both debt concepts include internally held debt, such as social security trust fund holdings of public debt securities. Debt held by the public does not include such internally held debt. At the start of fiscal year 1977 internally held

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debt amounted to $148.1 billion. Thus, debt held by the public was much less than debt defined by either of the other two debt concepts.

Since trust fund surpluses are normally invested in debt securities included within the general statutory limit, the Federal funds deficit plus the deficits of off-budget Federal entities is the main factor requiring increases in the debt subject to the statutory limit.[4]

The Federal funds deficit in 1978 is estimated to be $60.4 billion, and the off-budget Federal entities are estimated to require an additional $8.3 billion of borrowing subject to limit. As shown in the following table, these two factors will account for most of the increase in the debt subject to limit.

FEDERAL FUNDS FINANCING AND CHANGE IN DEBT SUBJECT TO LIMIT

[In billions of dollars]

Description	1976 actual	TQ actual	1977 estimate	1978 estimate
Federal funds surplus or deficit (−)	−68.9	−11.0	−65.7	−60.4
Effect of outlays of off-budget Federal entities on debt subject to limit	−7.5	−2.4	−10.7	−8.3
Total, amount to be financed	−76.4	−13.4	−76.4	−68.7
Means of financing other than borrowing:				
Decrease or increase (−) in cash and monetary assets	−8.0	−2.9	5.7	.....
Increase or decrease (−) in liabilities for:				
Checks outstanding, etc	.1	.1	.5	.3
Deposit fund balances	−1.1	*	−.2	*
Seigniorage on coins	.7	.1	.4	.5
Total, means of financing other than borrowing	−8.2	−2.6	6.5	.8
Decrease or increase (−) in Federal funds investments in Federal debt	−2.7	1.6	−.4	−.3
Increase or decrease (−) in Federal funds debt not subject to limit	.4	.2	−1.6	−1.4
Reclassification of securities [1]	−.5	.....	.....	.....
Total, requirements for borrowing subject to debt limit	−87.3	−14.3	−72.0	−69.7
Change in debt subject to limit	**87.3**	**14.3**	**72.0**	**69.7**

*$50 million or less.

[1] As of July 1, 1975, Federal debt held by the public increased by $0.5 billion due to a retroactive reclassification of Export-Import Bank certificates of beneficial interest from asset sales to debt.

A substantial part of the Federal funds deficit—and, therefore, a substantial part of the growth in debt subject to limit—is associated with transactions between Federal funds and trust funds. These

[4] Federal debt is discussed further in Special Analysis C, "Borrowing, Debt, and Investment," in Special Analyses, Budget of the United States Government, Fiscal Year 1978.

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transactions consist primarily of Federal funds payments to trust funds: interest paid on Treasury debt issues held by trust funds, the employer share of employee retirement, the Federal payment to finance the unfunded liability of the civil service retirement fund, and other payments, mainly to social insurance trust funds—such as the Federal Government's contribution for supplementary medical insurance. The trust fund payments to Federal funds are relatively small.[5]

BUDGET SURPLUS OR DEFICIT (−) BY FUND GROUP[1]

[In billions of dollars]

Description	1976 actual	TQ actual	1977 estimate	1978 estimate
Federal funds:				
Transactions with the public[2]	−40.6	−8.3	−35.3	−31.0
Transactions with trust funds	−28.2	−2.7	−30.1	−29.4
Total	−68.9	−11.0	−65.7	−60.4
Trust funds:				
Transactions with the public	−25.8	−4.6	−21.6	−15.9
Transactions with Federal funds	28.2	2.7	30.1	29.4
Total	2.4	−2.0	8.5	13.5
Budget total:				
Federal funds	−68.9	−11.0	−65.7	−60.4
Trust funds	2.4	−2.0	8.5	13.5
Total	−66.5	−13.0	−57.2	−47.0

[1] For purposes of this analysis, payments from Federal funds to the general revenue-sharing trust fund are treated as transactions with the public instead of transactions with a trust fund; and the corresponding payments from the general revenue sharing trust fund to the public are accordingly omitted. This is because the general revenue sharing trust fund has no independent source of funding, and serves only as a channel through which a Federal funds payment is made to the public.
[2] Includes some incidental transactions with off-budget Federal entities.

From 1966 through 1976, the cumulative Federal funds deficit was $291 billion, of which $128 billion was attributable to transactions with trust funds and the remaining $163 billion was attributable to transactions with the public.[6] A significant Federal funds deficit can occur, as was the case in 1969, when there are surpluses in the unified budget and in the transactions of the Federal funds with the public. The relevant figures for 1976 through 1978 are shown in the table above.

[5] These transactions are shown in detail in Part 9, table 13; see the section of the table on interfund transactions.
[6] See footnote 1 to the table, "Budget Surplus or Deficit by Fund Group", above.

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RECONCILIATION OF ACTUAL AND ESTIMATED RECEIPTS AND RELATIVELY UNCONTROLLABLE OUTLAYS

This section of the budget explains, for major programs that have relatively uncontrollable outlays, the differences between their actual 1976 and transition quarter (TQ) outlays and the amounts estimated in the 1976 budget, which was transmitted to the Congress in February 1975. It also provides a similar explanation of the differences between actual and estimated receipts. These reconciliations are required by section 601 of the Congressional Budget Act of 1974.

Reconciliation of actual and estimated outlays that are relatively uncontrollable.—Outlays are defined as relatively uncontrollable in any one year when the President's decisions in that year can neither increase nor decrease them without a change in substantive law. That is, under existing law these outlays depend generally upon factors that are beyond administrative control, such as benefit payments to which beneficiaries are entitled by law or contractual agreements or other currently legally binding commitments that have already been made.

The amounts estimated in the budget for relatively uncontrollable outlays may differ from the actual outlays for a number of reasons. For example, legislation may change benefit rates or coverage; the number of beneficiaries under a program may differ from the number estimated; and economic conditions (such as the interest rates required for Federal borrowing) may differ from what was assumed in developing the outlay estimates.

The following tables show the differences between actual outlays for relatively uncontrollable programs in 1976 and the TQ and the estimated amounts shown in the 1976 budget. The list of such programs in these tables is consistent with Table 16 (Controllability of Budget Outlays) in Part 9 of this year's Budget.

The February 1975 estimate of uncontrollable outlays did not include the outlay effect of legislation then being proposed. This is standard practice consistent with the definition of uncontrollable outlays stated above. Where legislation was enacted that significantly affected relatively uncontrollable outlays in 1976 and the TQ, it is identified in the discussion below.

As the accompanying tables show, actual 1976 outlays for relatively uncontrollable programs were $4.9 billion higher and TQ outlays were $0.4 billion higher than originally estimated. Open-ended programs and fixed costs were $8.0 billion above the original estimate for 1976 and $0.3 billion below the estimate for the TQ. Outlays from prior-year

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contracts and obligations were $3.1 billion below the budget estimate for 1976 and $0.7 billion above the original estimate for the TQ. Open-ended programs and fixed costs consist mainly of benefit programs, grants, and subsidies for which eligibility is automatic or fixed by law; interest payments; and payments for the legislative and judicial branches, which the President must—by law—include in the budget as submitted and without change.

RELATIVELY UNCONTROLLABLE OUTLAYS FOR 1976

[In billions of dollars]

Description	February 1975 estimate	Actual	Change from 1975 estimate
Open-ended programs and fixed costs:			
Payments for individuals:			
Social security and railroad retirement	76.6	76.2	—.5
Federal employees' retirement and insurance	[1] 16.3	15.6	—.7
(Military retired pay)	[1] (7.5)	(7.3)	(—.2)
(Other)	(8.7)	(8.3)	(—.5)
Unemployment assistance	18.6	19.8	1.2
Veterans benefits: Pensions, compensation, education, and insurance	11.9	13.9	2.0
Medicare and medicaid	24.1	26.3	2.2
Housing payments	2.6	2.5	—.1
Public assistance and related programs	[2] 17.0	20.2	3.1
Subtotal, payments for individuals	[1 2] 167.2	174.4	7.2
Net interest	26.1	26.8	.7
General revenue sharing	6.3	6.2	—.1
Farm price supports (CCC)	.7	.6	—.1
Other open-ended programs and fixed costs	8.6	8.8	.3
Total, open-ended programs and fixed costs	[1 2] 208.8	216.9	8.0
Outlays from prior-year contracts and obligations: [3]			
National defense	23.5	19.1	—4.4
Civilian programs	30.5	31.8	1.3
Total, outlays from prior-year contracts and obligations	54.0	50.9	—3.1
Total, relatively uncontrollable outlays	[1 2] 262.8	267.7	4.9

[1] Based on controllability classification used in the 1978 budget. Uncontrollable outlays now include $0.6 billion that was projected in February 1975 to result from automatic cost-of-living increases under existing law.

[2] Based on controllability classification used in the 1978 budget. Uncontrollable outlays now include $1.4 billion that was projected in February 1975 for the child nutrition program. Beginning with the 1977 budget, this program was reclassified as relatively uncontrollable.

[3] Excludes prior-year contracts and obligations for activities shown above as "open-ended programs and fixed costs."

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Most of the $7.2 billion and $0.8 billion underestimate in payments for individuals for 1976 and the TQ, respectively, can be explained by differences between assumed and actual economic conditions and beneficiary levels, and by the effects of legislation enacted after the budget was transmitted.

Social security and railroad retirement outlays, combined, were $0.5 billion and $0.7 billion lower than originally estimated for 1976 and the TQ, respectively, largely because inflation was lower than projected in the 1976 budget. The automatic cost-of-living increase in July 1975—which was based on the increase in the Consumer Price Index from the first quarter of calendar year 1974 to the first quarter of calendar year 1975—was 8.0% rather than the 8.7% assumed in the 1976 budget. The corresponding increase in July 1976, which affected TQ outlays, was 6.4% rather than the 9.3% assumed in the original estimate.

Outlays for Federal employees retirement and insurance were $0.7 billion and $0.2 billion lower than estimated for 1976 and the TQ, respectively, with lower than projected inflation again being the major reason. Military retired pay for 1976 and the TQ was overestimated by $0.2 billion and $0.1 billion, respectively, and civilian employees retirement was overestimated by $0.5 billion for 1976. During 1976 and the TQ, benefits for these programs increased whenever the Consumer Price Index went up by 3% over the base period and maintained that level for 3 months. The 1976 budget projected increases to become effective in July 1975 (6.4%), January 1976 (5.5%), and August 1976 (5.3%). The actual increases occurred in August 1975 (5.1%) and March 1976 (5.4%).

Even though the 8.0% unemployment rate during 1976 was close to the 1976 budget estimate of 8.1%, outlays for unemployment assistance increased by $1.2 billion and $0.6 billion from original estimates for 1976 and the TQ, respectively. Public Law 94–45 extended the duration of unemployment benefits an additional 26 weeks to a possible total of 65 weeks of benefit eligibility. This was responsible for most of the 1976 outlay increase. Federal employees and ex-servicemen also benefited from this extension. Thus, outlays for their compensation were underestimated by $0.5 billion in the TQ.

Actual 1976 outlays for veterans programs were $2.0 billion higher than the 1976 budget estimate. Legislated increases for compensation programs (ranging from 10 to 12%, effective August 1, 1975) and pension benefits (8%, effective January 1, 1976), plus more beneficiaries than originally estimated, raised outlays for these programs by $0.7 billion above the original estimates. Outlays for readjustment benefits were $1.4 billion more than estimated. A 12% increase in average cost per trainee resulted from an unexpected increase in the

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RELATIVELY UNCONTROLLABLE OUTLAYS FOR THE TRANSITION QUARTER

[In billions of dollars]

Description	February 1975 estimate	Actual	Change from 1975 estimate
Open-ended programs and fixed costs:			
Payments for individuals:			
Social security and railroad retirement	21.4	20.7	−.7
Federal employees' retirement and insurance	[1] 4.5	4.3	−.2
(Military retired pay)	[1] (2.1)	(1.9)	(−.1)
(Other)	(2.4)	(2.3)	(−.*)
Unemployment assistance	3.5	4.2	.6
Veterans benefits: Pensions, compensation, education, and insurance	2.8	2.9	*
Medicare and medicaid	6.4	7.0	.7
Housing payments	.7	.6	−*
Public assistance and related programs	[2] 4.6	4.9	.3
Subtotal, payments for individuals	[1 2] 43.9	44.6	.8
Net interest	8.6	7.0	−1.7
General revenue sharing	1.7	1.6	−.1
Farm price supports (CCC)	.2	.7	.6
Other open-ended programs and fixed costs	2.5	2.6	.1
Total, open-ended programs and fixed costs	[1 2] 56.8	56.5	−.3
Outlays from prior-year contracts and obligations: [3]			
National defense	9.3	8.6	−.7
Civilian programs	10.0	11.4	1.4
Total, outlays from prior-year contracts and obligations	19.3	20.0	.7
Total, relatively uncontrollable outlays	**76.1**	**76.5**	**.4**

*$50 million or less.

[1] Based on controllability classification used in the 1978 budget. Uncontrollable outlays now include $0.3 billion that was projected in February 1975 to result from automatic cost-of-living increases under existing law.

[2] Based on controllability classification used in the 1978 budget. Uncontrollable outlays now include $0.5 billion that was projected in February 1975 for the child nutrition program. Beginning with the 1977 budget, this program was reclassified as relatively uncontrollable.

[3] Excludes prior-year contracts and obligations for activities shown above as "open-ended programs and fixed costs."

number of trainees enrolled full time, and a training load 35% higher than anticipated.

Outlays for medicare were $1.4 billion higher in 1976 ($0.4 billion higher in the TQ) than originally estimated and outlays for medicaid were $0.8 billion higher in 1976 and $0.3 billion higher in the TQ than originally estimated. The increased outlays for medicare resulted largely from greater than anticipated increases in enrollee utilization rates (for example, number of hospital days or physician visits per enrollee) under the hospital insurance and supplemental medical

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insurance programs. A higher than expected rise in medical costs was the primary factor in the underestimate of medicaid outlays in 1976 and also affected medicare outlays.

The single largest difference between actual and estimated outlays was the $3.1 billion underestimate for 1976 ($0.3 billion for the TQ) in public assistance and related programs, which include public assistance cash payments, food stamps, and child nutrition programs. The main reason for the large increases was that many more beneficiaries participated in these programs than was originally estimated. In the food stamp program, the original estimate of 16 million beneficiaries was 25% below the actual 1976 level of 20 million. In addition, many States enacted higher public assistance benefit levels than expected when the budget was submitted in February of 1975, resulting in higher Federal matching payments. The earned income credit provision of the Tax Reduction Act of 1975, which was not recommended or anticipated in the 1976 budget, caused $0.8 billion of the difference in 1976 and $0.1 billion in the TQ.

Net interest outlays were $0.7 billion higher in 1976 than estimated in the 1976 budget. The original estimate assumed gross Federal debt would reach $606 billion by the end of 1976. The actual end of year figure was $631 billion, or $25 billion more than estimated. Lower interest rates partially offset this. Short-term rates averaged nearly 1 percentage point less than the rates assumed in February 1975.

Outlays for the interest function include interest on securities held by trust funds. Thus, to arrive at net interest, interest received by trust funds is deducted from interest function outlays to avoid double-counting. In the 1976 budget, estimated TQ outlays for the interest function were calculated on an accrual basis, while most interest received by trust funds was calculated on a cash basis. Since most trust fund securities pay interest in December and June, the earlier treatment resulted in a $1.7 billion overstatement of net interest outlays for the TQ. The estimate for TQ net interest outlays should have been $7.2 billion. With this accounting correction, actual net interest outlays were nearly the same as the revised estimate. This was only a fortuitous coincidence, however, because the effects of higher debt levels than originally estimated were offset by the effects of lower interest rates than were used in preparing the original estimates. Gross Federal debt at the end of the TQ was originally estimated to be $617 billion but actual debt at the end of the TQ was $646 billion, or $29 billion higher than originally estimated; however, interest rates were nearly 1 percentage point below rates assumed in February 1975.

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Farm price supports increased by $0.6 billion over the original estimates for the TQ. The main reason was expanded export credits. The rest of the underestimate was due to the effects of domestic and world supply and demand factors on commodity loans and of weather on the disaster payment programs.

Other open-ended programs and fixed costs were underestimated by $0.3 billion in 1976, largely due to increases in the legislative and judicial branches, which raised 1976 outlays by $0.2 billion over the original estimate.

Outlays from prior-year contracts and obligations for 1976 were $3.1 billion lower than originally estimated in the 1976 budget. National defense outlays in this category were $4.4 billion lower than originally estimated, while civilian programs had outlays of $1.3 billion more than originally estimated. The major underestimates in civilian programs were for the Department of Transportation ($0.6 billion), the Department of Labor ($0.5 billion), and the Environmental Protection Agency ($0.5 billion).

Analysis of fiscal year 1976 and transition quarter receipts.— As shown in the table below, receipts for 1976 were $2.5 billion greater than the original budget estimate and receipts for the transition quarter were $2.6 billion less. Thus, for the 15-month period as a whole, actual receipts were almost equal to the original budget estimate. The composition of receipts, however, was markedly different from the original estimates, largely because legislated tax changes were substantially different from those proposed in the 1976 budget.

COMPARISON OF FISCAL YEAR 1976 AND TRANSITION QUARTER RECEIPTS

[In billions of dollars]

	1976			Transition quarter		
	February 1975 estimate	Actual	Change from 1975	February 1975 estimate	Actual	Change from 1975
Individual income taxes	106.3	131.6	25.3	37.9	38.8	0.9
Corporation income taxes	47.7	41.4	−6.3	9.5	8.5	−1.0
Social insurance taxes and contributions	91.6	92.7	1.2	25.6	25.8	.1
Excise taxes	32.1	17.0	−15.2	6.2	4.5	−1.7
Estate and gift taxes	4.6	5.2	.6	1.3	1.5	.2
Customs duties	4.3	4.1	−.2	1.1	1.2	.1
Miscellaneous receipts	10.9	8.0	−2.9	2.8	1.6	−1.2
Total	**297.5**	**300.0**	**2.5**	**84.4**	**81.8**	**−2.6**

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On January 13, 1975, the President announced programs to stimulate the economy and reduce energy consumption. His economic stimulus program included a partial rebate of calendar year 1974 individual income tax liabilities and an investment tax credit of 12%. To reduce energy consumption, the President issued a proclamation increasing import fees on petroleum products, and proposed a windfall profits tax on domestic crude oil and an excise tax on domestic crude oil and natural gas. To offset increases in receipts resulting from his proposed energy tax program, the President planned to reduce individual and corporation income taxes and to increase Federal spending, with the higher outlays directed toward those individuals and sectors of the economy affected by increased energy costs but not compensated by income tax reductions.

The Congress rejected the President's energy tax proposals—with the exception of the proposed import fees on petroleum products, which were put in effect temporarily by administrative action—and passed an economic stimulus package, the Tax Reduction Act of 1975, on March 29, 1975. This act modified the President's individual income tax rebate and investment tax credit proposals, and provided a number of temporary reductions in individual and corporation income tax liabilities and a few permanent changes in the tax structure. The Revenue Adjustment Act of 1975, enacted on December 23, 1975, extended the corporation income tax rate reductions that had been enacted in the Tax Reduction Act of 1975 and provided larger tax reductions (at an annual rate) for individuals, in order to maintain the withholding rates that applied during the last 8 months of calendar year 1975.

Individual income taxes were $131.6 billion in 1976, $25.3 billion greater than the original budget estimate and $38.8 billion in the transition quarter, $0.9 billion greater than the original budget estimate. Differences in tax law from that proposed in the 1976 budget account for $19.6 billion of the increase in 1976 and $2.1 billion in the transition quarter. Revised economic assumptions and reestimates of tax payments account for the remaining $5.7 billion increase in 1976 receipts and the $1.2 billion decrease in transition quarter receipts.

Corporation income tax receipts were $41.4 billion in 1976, $6.3 billion less than originally estimated, and $8.5 billion in the transition quarter, $1.0 billion less than originally estimated. Differences in tax law from that proposed reduced receipts by $10.0 billion in 1976 and $1.5 billion in the transition quarter. Revised economic assumptions and reestimates increased corporate tax receipts by $3.7 billion in 1976 and $0.6 billion in the transition quarter.

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RECONCILIATION OF FISCAL YEAR 1976 AND TRANSITION QUARTER RECEIPTS ESTIMATES

[In billions of dollars]

	February 1975 estimate	Legislation			Re-estimates and revised economic assumptions	Actual receipts
		Inaction on the President's proposals		Enacted legislation		
		Energy proposals	Economic stimulus and other tax proposals			
Fiscal year 1976:						
Individual income taxes	106.3	+24.9	+7.9	−13.2	+5.7	131.6
Corporation income taxes	47.7	−9.7	+2.3	−2.6	+3.7	41.4
Social insurance taxes and contributions	91.6	.....	.....	.....	+1.2	92.7
Excise taxes	32.1	−15.2	*	.....	*	17.0
Estate and gift taxes and customs duties	8.9	.....	.....	.....	+.4	9.3
Miscellaneous receipts	10.9	.....	−.2	.....	[1] −2.7	8.0
Total, fiscal year 1976	297.5	.....	10.0	−15.8	8.3	300.0
Transition quarter:						
Individual income taxes	37.9	+5.1		−3.0	−1.2	38.8
Corporation income taxes	9.5	−1.2		−.4	+.6	8.5
Social insurance taxes and contributions	25.6	.....	.....	.....	+.1	25.8
Excise taxes	6.2	−1.8	.....	.....	+.1	4.5
Estate and gift taxes and customs duties	2.4	.....	.....	.....	+.3	2.7
Miscellaneous receipts	2.8	.....	.....	.....	[1] −1.2	1.6
Total, transition quarter	84.4	+2.1	.....	−3.5	−1.3	81.8

*Less than $50 million.

[1] In the 1976 budget it was assumed that import fees on crude oil would increase by $2 per barrel. Actual fees were increased by that amount. Subsequently, however, this increase was eliminated, thus resulting in a net decrease in receipts from the original estimates of $2.0 billion in 1976 and $1.0 billion in the transition quarter.

Social insurance taxes and contributions in 1976 were $1.2 billion higher than originally estimated. Unemployment tax receipts were $0.7 billion higher than originally estimated, largely due to increased State taxes deposited in the Treasury to finance unemployment benefits. Underestimates of employment taxes and contributions accounted for most of the remainder of the increase. Social insurance taxes and contributions in the transition quarter were $0.1 billion greater than the original budget estimate.

Because of inaction on the proposed excise taxes, 1976 excise tax receipts were $15.2 billion less than the original budget estimate of

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$32.1 billion. Excise tax receipts in the transition quarter were $1.7 billion less than the original budget estimate, largely for the same reason.

Estate and gift taxes were above the original budget estimate by $0.6 billion in 1976 and $0.2 billion in the transition quarter. Customs duties were $0.2 billion below the original budget estimate in 1976 and $0.1 billion above the original budget estimate in the transition quarter. Miscellaneous receipts in 1976 were $2.9 billion below the original budget estimate of $10.9 billion, in large part due to a $2.0 billion decrease in the amount received from import fees on crude oil, a $0.2 billion decrease because of inaction on a proposal to write-off silver certificates, and a $0.6 billion decrease in deposits of earnings by the Federal Reserve System. Miscellaneous receipts in the transition quarter were $1.2 billion less than the original budget estimate of $2.8 billion, due almost entirely to a decrease in the amount received from import fees on crude oil.

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PART 7

THE BUDGET SYSTEM AND CONCEPTS

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THE BUDGET SYSTEM AND CONCEPTS

The budget system of the U.S. Government is based upon a structure for financial administration that has as objectives the efficient management of programs in relation to the requirements of the Nation and effective financial control.

Although most of the requirements of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344) have been implemented, the budget process continues to undergo change as a result of that act. The act established new congressional budget procedures and a new fiscal year period (October 1 through September 30) effective with fiscal year 1977. There was a 3-month transition quarter between fiscal year 1976, which ended June 30, 1976, and fiscal year 1977, which began October 1, 1976.

THE BUDGET PROCESS

The budget process has four main phases: (1) executive formulation and transmittal; (2) congressional action; (3) budget execution and control; and (4) review and audit. Each of these phases interrelates with and overlaps the others.

Executive formulation and transmittal.—The budget sets forth the President's financial plan of operation and thus indicates his priorities for the Federal Government during the coming year. The President's transmittal of his budget to the Congress early in each calendar year is the climax of many months of planning and analysis throughout the executive branch. Formulation of the 1978 budget began in the spring of 1976, although tentative goals for some programs were set earlier—when the 1977 budget was transmitted to the Congress in January of 1976.

During the period when a budget is being formulated in the executive branch, there is a continuous exchange of information, proposals, evaluations, and policy decisions among the President, the Office of Management and Budget (OMB), and the various Government agencies.

In the spring, agency programs are evaluated, policy issues are identified, and budgetary projections are made, giving attention both to important modifications and innovations in programs and to alternative long-range program plans. These budgetary projections,

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including projections of estimated receipts prepared by the Treasury Department, are then presented to the President for his consideration, and the major issues are discussed. About the same time, the President receives projections of the economic outlook that are prepared jointly by the Council of Economic Advisers, the Treasury Department, and OMB.

Following a review of these projections, the President establishes general budget and fiscal policy guidelines for the fiscal year that will begin about 15 months later. Tentative policy decisions and planning targets are then given to the agencies to govern the preparation of their budgets.

Throughout the fall and early winter the executive branch is involved in two related budgetary processes. One is the preparation of the current services estimates, which are required by the Congressional Budget Act to be transmitted to the Congress by November 10 of each year. These estimates are projections of budget authority and outlays required to continue ongoing Federal programs and activities in the upcoming fiscal year without policy changes from the fiscal year in progress at the time the estimates are submitted.

The second process is the preparation of the President's budget for transmittal to the Congress. This process involves a detailed review of agency budget requests by OMB. These requests and OMB's recommendations on them are presented to the President for decision. Overall fiscal policy issues—relating to total budget outlays and receipts—are again examined. The effects of budget decisions on outlays in the years that follow are also considered and are explicitly taken into account. Thus, the budget process involves the simultaneous consideration of the resource needs of individual programs, and the total outlays and receipts that are appropriate in relation to current and prospective economic conditions. The budget reflects the results of both of these considerations.

Congressional action.—The Congress can act as it wishes on the President's budget proposals. It can change programs, eliminate them, or add programs not requested by the President. It can increase or decrease the amounts recommended by the President to finance existing and proposed new programs. It may also act upon legislation determining taxes and other means of raising receipts.

In making appropriations the Congress does not normally vote on outlays directly, but rather on budget authority. The Congress first enacts legislation that *authorizes* an agency to carry out a particular program and, in some cases, sets a limit on the amount that subsequently can be considered for appropriation for the program. Many programs are authorized for a specified number of years, or

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even indefinitely; other programs, such as nuclear energy, space exploration, defense procurement, foreign affairs, and some construction programs, require annual authorizing legislation.

The granting of *budget authority* is usually a separate, subsequent action. As a normal rule, budget authority becomes available each year only as voted by the Congress. However, in a significant number of cases, the Congress has voted permanent budget authority, under which funds become available annually without further congressional action. Most trust fund appropriations are permanent, as are a number of Federal fund appropriations, such as the appropriation to pay interest on the public debt.

Congressional review begins when the President transmits his current services estimates to the Congress some two months before the President's budget is transmitted. While these current services estimates are neither recommended amounts nor estimates as to what the figures for the budget year will actually turn out to be, the Congress may use these estimates as a base from which to compare the President's proposed budget.

The President's budget is required to be transmitted to the Congress within 15 days after the start of each new session in January. Under the procedures established by the Congressional Budget Act, the Congress considers budget totals prior to completing action on individual appropriations. The act requires that each standing committee of the Congress submit reports on budget estimates to the House and Senate Budget Committees by March 15; and that the Congressional Budget Office submit a fiscal policy report to the two budget committees by April 1. This is followed, no later than May 15, by the adoption of the first concurrent budget resolution, containing Government-wide budget targets of receipts, budget authority, and outlays to guide Congress in its subsequent consideration of appropriations and revenue measures.

Congressional consideration of requests for appropriations and for changes in revenue laws will continue to follow an established pattern. These requests are considered first in the House of Representatives. The appropriations committee, through its subcommittees, studies the proposals for appropriations and examines in detail each agency's performance. The Ways and Means Committee reviews proposed revenue measures. Each committee then recommends the action to be taken by the House of Representatives.

As appropriation and tax bills are approved by the House, they are forwarded to the Senate, where a similar review process is followed. In case of disagreement between the two Houses of Congress, a conference committee (consisting of Members of both bodies) meets to resolve the issues. The report of the conference committee is returned to both Houses for approval. When the measure is agreed to, first in

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the House and then in the Senate, it is ready to be transmitted to the President in the form of an enrolled bill, for his approval or veto.

After action has been completed on all money bills, the Congress will, by September 15, adopt a second concurrent resolution. The resolution adopted by the Congress will contain budget *ceilings* classified by function for budget authority and outlays, and a *floor* for budget receipts. This resolution may retain or revise the levels set earlier in the year, and can include directives to the appropriations committees and to other committees with jurisdiction over budget authority or entitlements to recommend changes in new or carryover authority or entitlements. Similarly, the second resolution may direct the appropriate committees to recommend changes in budget receipts or in the statutory limit on the public debt. Changes recommended by various committees pursuant to the second budget resolution are to be reported in a reconciliation bill (or resolution, in some cases) on which Congress must complete action by September 25, a few days before the new fiscal year commences on October 1.

When Congress completes action on the reconciliation bill or resolution, the congressional budget process is complete. At this point, Congress may not consider any spending or revenue legislation that would breach any of the levels specified in the second resolution. In other words, Congress would not be able to pass a supplemental appropriation if it would cause spending to rise above the levels of the second budget resolution, nor could it cut receipts below the second resolution's totals. However, Congress may adopt a new budget resolution at any time.

If action on appropriations is not completed by the beginning of the fiscal year, the Congress may enact a "continuing resolution" to provide authority for the affected agencies to continue operations until their regular appropriations are enacted.

Budget execution and control.—Once approved, the budget becomes the financial basis for the operations of each agency during the fiscal year.

Under the law, most budget authority and other budgetary resources are made available to the agencies of the executive branch through an apportionment system. Under authority delegated by the President, the Director of OMB apportions (distributes) appropriations and other budgetary resources to each agency by time periods (usually quarters) or by activities. Obligations may not be incurred in excess of the amount apportioned. The objective of the apportionment system is to ensure the effective and orderly use of available authority and to reduce the need for requesting additional or supplemental authority.

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Changes in laws or other factors may indicate the need for more authority during the year, and supplemental requests may have to be transmitted to the Congress. On the other hand, reserves may be established under the Antideficiency Act (31 U.S.C. 665) to provide for contingencies or to effect savings made possible by or through changes in requirements or greater efficiency of operations. Amounts may also be withheld for policy or other reasons, pursuant to the Impoundment Control Act.

Whenever the President determines that all or part of any budget authority provided by the Congress will not be required to carry out the full objectives or scope of a program for which it was provided, or that such budget authority should be rescinded for fiscal policy or other reasons, a special message is transmitted by the President to the Congress requesting a rescission of the budget authority. The budget authority proposed by the President for rescission must be made available for obligation unless both the House and the Senate pass a rescission bill within 45 days of continuous session after receiving the President's message.

Whenever all or part of any budget authority provided by the Congress is deferred (i.e., temporarily withheld from obligation), the President transmits a special message to the Congress on such deferrals. Either House may pass a resolution disapproving this deferral of budget authority, thus requiring that the funds be made available for obligation. When no congressional action is taken, deferrals may remain in effect until, but not beyond, the end of the fiscal year.

Review and audit.—This is the final step in the budget process. The individual agencies are responsible for assuring—through their own review and control systems—that the obligations they incur and the resulting outlays follow the provisions of the authorizing and appropriating legislation, as well as other laws and regulations relating to the obligation and expenditure of funds. OMB reviews program and financial reports and keeps abreast of agency programs and the effort to attain program objectives.

In addition, the Comptroller General, as agent of the Congress, regularly audits, examines, and evaluates Government programs. His findings and recommendations for corrective action are made to the Congress, to OMB, and to the agencies concerned. The Comptroller General also monitors the executive branch's reporting of special messages on proposed rescissions and deferrals. He reports any items not reported by the executive branch and any differences that he may have with the classification (as a rescission or deferral) of withholdings included in special messages submitted by the President. The Comptroller General may bring civil actions to obtain

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compliance should the President fail to make budget authority available in accordance with the Impoundment Control Act.

COVERAGE OF THE BUDGET TOTALS

Agencies and programs.—The budget totals cover agencies and programs (including Government corporations) owned by the Federal Government, no matter how funded, except for the following off-budget Federal entities:

Exchange stabilization fund,
Rural electrification and telephone revolving fund,
Rural Telephone Bank,
Board of Governors of the Federal Reserve System,
Housing for the elderly or handicapped fund,
Pension Benefit Guaranty Corporation,
Postal Service fund,
United States Railway Association,[1]
Federal Financing Bank,
Energy Independence Authority (proposed).[2]

In addition to these exceptions, the totals exclude privately owned, Government-sponsored enterprises, such as the Federal land banks and Federal home loan banks. The off-budget Federal entities listed above are discussed in Part 2 of the Budget, and financial statements are presented in Part IV of the Budget Appendix. These data are also presented in tables throughout the Budget to show the effect of including amounts for off-budget entities in the budget totals. Privately owned Government-sponsored enterprises are discussed in Part 2 of the Budget, and financial statements are presented in Part VI of the Budget Appendix.

Functional classification.[3]—The functional classification arrays budgetary data according to the major purpose served by the unit being classified (usually, a budget account). In accordance with the Congressional Budget Act, the Congress must pass resolutions establishing budget targets and ceilings by functional categories.

The following criteria are used in establishing and in assigning activities to functional categories:

- A function must have a common end or ultimate purpose addressed to an important national need. (The emphasis is on what the Federal Government seeks to accomplish rather than the means of accomplishment, what is purchased, or the clientele or geographic area served.)

[1] Recently enacted legislation requires that the purchase of ConRail securities, which will comprise almost all of the Association's activity after 1977, be included in the budget.
[2] The budget totals include an amount equal to the estimated net earnings or losses of this proposed Authority.
[3] A further discussion of this subject is found in the introduction to Part 5 of this volume.

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- A function must be of continuing national importance and be significant in size, i.e., normally account for at least 2% of total budget outlays over a number of years.
- The basic unit of classification generally is the appropriation or fund account. Occasionally, an appropriation account serves more than one major purpose. Accordingly, an account may be divided into two or more subfunctions. Any such division requires a compelling reason, and must involve relatively large amounts for each subfunction.
- Each unit is classified into the single best or predominant purpose served. Thus, a unit is assigned to only one function.
- Activities and programs are normally classified by common purpose (or function) regardless of which agencies conduct the activities.

Types of funds.—Agency activities are financed through Federal funds and through trust funds, both of which are included in the budget.

Federal funds are of four types. The *general fund* is credited with receipts not earmarked by law for a specific purpose, and is charged with payments from such receipts and from general borrowing. *Special funds* contain Federal receipts earmarked for specific purposes, other than for carrying out a cycle of operations. *Public enterprise* (revolving) funds finance a cycle of business-type operations in which outlays generate collections, primarily from the public. *Intragovernmental revolving* and *management* funds facilitate financing operations within and between Government agencies.

Trust funds are established to account for receipt and expenditure of moneys by the Government for use in carrying out specific purposes and programs in accordance with the terms of a trust agreement or statute. These moneys are not available for the general purposes of the Government. Within the category of trust funds there is a special subcategory of *trust revolving* funds that carry on a cycle of business-type operations.

Current expense and capital outlay.—The budget includes spending for both current operating expenses and capital outlays such as the purchase of lands, structures, and equipment. It also includes capital outlays in the form of lending and the purchase of investments. These categorizations of outlays are discussed in Special Analysis D. However, it excludes from obligations and outlays the acquisition by Federal agencies of Federal debt securities issued by the Government itself (either by the Treasury Department or by other Federal agencies).

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BUDGET AUTHORITY AND RELATED TRANSACTIONS

Budget authority.—Government agencies—whether on budget or off budget—are permitted to enter into obligations requiring either immediate or future payment of money only when they have been granted authority to do so by law. The amounts thus authorized by the Congress are called budget authority.

Budget authority permits *obligations* to be incurred, and for most accounts the amount of the authority is related to the obligations expected to be incurred during the year. In some cases—especially construction (other than water resources projects), research, and procurement—budget authority is requested and provided to finance the full cost of each project at the time it is started, regardless of when obligations are expected to be incurred and the expected time of completion. In other cases, certain insurance or other programs are provided with standby budget authority that may never be used fully but is available if certain contingencies should arise.

Budget authority usually takes the form of *appropriations*, which permit obligations to be incurred and payments to be made. Some budget authority is in the form of *contract authority*, which permits obligations in advance of appropriations and therefore requires a subsequent appropriation or receipts to "liquidate" (pay) these obligations. There is also *authority to spend debt receipts* (i.e., *borrowing authority*); such budget authority permits the use of borrowed money to incur obligations and make payments. Where such authority pertains to the borrowing from the Treasury, it is authority to spend *public* debt receipts. Authority for a Government agency to borrow directly from the public or from a Government-administered fund available for investment is authority to spend *agency* debt receipts.

Since January 1976, it has not been in order for either House of the Congress to consider any bill, with certain exceptions, that provides new borrowing or contract authority unless that bill also provides that such new spending authority will be effective only to the extent or such amounts as are provided in appropriations acts.

Most appropriations for current operations are made available for obligation only during a specified fiscal year (*1-year appropriations*). Some are for a specified longer period (*multiple-year appropriations*). Others, including most of those for construction, some for research, and many trust fund appropriations, are made available for obligation until the objectives have been attained (*no-year appropriations*).

When budget authority is made available by the Congress for a specific period of time, any part that is not used for obligations during that period lapses and cannot be used later. *Reappropriations*—congressional actions to continue availability of unused balances that have lapsed—are counted as budget authority in the year of the congressional action.

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A *rescission* is a legislative action that cancels budget authority or unobligated balances of budget authority prior to the time the authority would otherwise have lapsed. Rescissions are offset against new budget authority in arriving at the total of budget authority for each year. A *deferral* is an executive branch action or inaction—including the establishment of reserves under the Antideficiency Act—that effectively delays the obligation or expenditure of budget authority. Deferrals may not extend beyond the end of the fiscal year and may be overturned at any time by either House of Congress.

Most authority to obligate funds is granted year by year (*current authority*). Under certain laws, some budget authority in Federal funds and most budget authority in the trust funds become available from time to time without further action by the Congress (*permanent authority*).

The amount of budget authority is usually stated specifically in the legislation that makes it available (*definite authority*). In a few cases the amount is left indefinite, to be determined by subsequent circumstances (*indefinite authority*). Examples of the latter type are the appropriation for interest on the public debt, and the trust fund appropriation equal to receipts under the Federal Insurance Contributions Act (social security).

Obligations incurred.—Following the enactment of budget authority, obligations are incurred by Government agencies. Such obligations include the currently accruing liabilities for salaries and wages, certain contractual services, and interest; entering into contracts for the purchase of supplies and equipment, construction and the acquisition of land; entering into contracts to make loans; and other contractual arrangements requiring the payment of money.

Outlays.—Obligations generally are liquidated by the issuance of checks or the disbursement of cash; such payments are called *outlays*. In lieu of issuing checks, obligations may also be liquidated (and outlays occur) by the maturing of interest coupons in the case of some bonds, or by the issuance of bonds or notes (or increases in the redemption value of bonds outstanding). Outlays during a fiscal year may be payments of obligations incurred in prior years or in the same year. Such outlays, therefore, flow in part from unexpended balances of prior year budget authority and in part from budget authority provided for the year in which the money is spent.[4] Total budget outlays include deductions for offsetting collections (see collections, below), but exclude outlays of off-budget Federal entities.

[4] This process is depicted on a chart "Relation of Budget Authority to Outlays—1978 Budget" in Part 6 of this volume.

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Balances of authority.—Not all budget authority enacted for a fiscal year is obligated and paid out in the same year. The *obligated balance* is that portion of the budget authority that has been obligated but not yet paid. For example, in the case of salaries and wages, one to three weeks elapse between the time of obligation and the time of payment. In the case of major procurement and construction, up to several years may elapse. Obligated balances of budget authority are carried forward until the obligations are subsequently paid. In addition, in multiple-year or no-year accounts, budget authority that is still available for obligation may be carried forward for obligation in the following year. These are *unobligated balances.*

Therefore, a change in the amount of budget authority for a given year does not necessarily result in a similar change in either the obligations incurred or the budget outlays of that same year. A change in budget authority in any one year may have an effect on obligations for 2 or more years, and may affect budget outlays for an even longer period. In the case of standby budget authority, obligations and outlays may never materialize.

Allocations between agencies.—In some cases, one or more agencies may share in the administration of a program for which appropriations are made to another agency or to the President. This is made possible by the establishment of allocations from the "parent" account (the account to which the appropriation was made). Obligations incurred through such allocations are included with the parent account in the *Budget* (without separate identification) and in the *Budget Appendix* (where the total obligations of each participating agency are identified separately under the parent account).

COLLECTIONS

In general.—Collections represent amounts collected during the year and are classified into two major categories:

- *Budget receipts*, which are compared with total outlays in calculating the budget surplus or deficit.
- *Offsetting collections*, which are deducted from disbursements in calculating total outlays. Corresponding offsets are made in arriving at total budget authority and net obligations incurred.

Budget receipts.—Budget receipts are collections from the public that result from the exercise of the Government's sovereign or governmental powers and from contributions paid by participants in certain voluntary Federal social insurance programs. They consist primarily of tax receipts and social insurance premiums, but also include receipts from court fines, certain licenses, and deposits of

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earnings by the Federal Reserve System. Gifts and contributions (as distinguished from payments for services or cost-sharing deposits by State and local governments) are also counted as budget receipts.

Offsetting collections.—Offsetting collections are classified into two types: *collections credited to appropriation or fund accounts* and *offsetting receipts* (that is, amounts deposited in receipt accounts). Generally, collections credited to appropriation or fund accounts can be used without appropriation action by the Congress, whereas funds in receipt accounts cannot be used without being appropriated.

Collections credited to appropriation or fund accounts occur in two circumstances:

- *Reimbursements.*—When authorized by law, amounts collected for materials or services furnished (e.g., amounts received from the public to pay expenses of providing information under the Freedom of Information Act) are treated as reimbursements to appropriations. These collections are netted in determining outlays from such appropriations.
- *Revolving funds.*—In the three types of revolving funds—public enterprise, intragovernmental, and trust revolving—collections are regularly netted against spending.

Offsetting receipts generally are deducted from budget authority and outlays by function and/or subfunction, and by agency. Offsetting receipts are subdivided into two major categories, as follows:

- *Proprietary receipts from the public.*—These are collections from the public—deposited in receipt accounts of the general fund, special funds, or trust funds—that arise out of the business-type or market-oriented activities of the Government (for example, loan repayments, interest, sale of property and products, charges for nonregulatory services, and rents and royalties). Such collections are not counted as budget receipts, and, with one exception, are offset against total budget authority and outlays by agency and by function. The exception consists of receipts from rents and royalties from Outer Continental Shelf lands that are deducted from total budget authority and outlays for the Government as a whole rather than from any single agency or function.
- *Intragovernmental transactions.*—These are payments into receipt accounts from other accounts. They are treated as an offset to budget authority and outlays, rather than as a budget receipt. Intragovernmental transactions may either be *intrabudgetary* (where the payment and receipt both occur within the budgetary universe) or result from *receipts from off-budget Federal entities* in those cases where the payment comes from a Federal entity whose funds are excluded from the budget totals. Normally, intragovernmental transactions are deducted from both the out-

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lays and the budget authority for the agency receiving the payment. However, in two situations intragovernmental transactions are not deducted from the figures of any agency or function, but appear as special deduct lines in computing total budget authority and outlays for the Government as a whole. One of these consists of the agencies' payments (including payments by off-budget Federal entities) as employers into trust funds for retirement of employees. The other is the payment of interest to trust (nonrevolving) funds.

Intrabudgetary transactions are further subdivided into three groups: (1) *interfund transactions*, where the payment is from one fund group (either Federal funds or trust funds) to the other fund group; (2) *Federal intrafund transactions*, in those cases where the payment and receipt both occur within the Federal fund group; and (3) *trust intrafund transactions*, in those cases where the payment and receipt both occur within the trust fund group.

OTHER TRANSACTIONS

Borrowing and repayments.—Borrowing and debt repayment are not treated as receipts or outlays, since if they were the budget could be balanced simply by borrowing. This rule applies both to borrowing in the form of public debt securities and to specialized forms of borrowing—such as the sale of agency securities, the assumption of military family housing mortgages, and certificates representing participation in a pool of loans. Transactions that otherwise would be considered borrowing may be required by law to be treated as a sale of assets. This results in collections being credited to an appropriation or fund account with a corresponding reduction in outlays.

Exercise of the monetary power.—Seigniorage is the profit from coining money; it is the difference between the value of coins as money and their cost, including the cost of manufacturing. Seigniorage on coins arises from the exercise of the Government's monetary powers and differs from receipts coming from the public, since there is no corresponding payment by another party. Therefore, seigniorage is excluded from receipts and treated as a means of financing a budget deficit, or as a supplementary amount to be applied to reduce debt or to increase the cash in Treasury in the years of a budget surplus. The increment (profit) resulting from the revaluation of gold as a monetary asset is treated like seigniorage, but the profit from sale of gold as a commodity is treated as a proprietary receipt.

Liabilities in deposit fund accounts.—Accounts outside the budget, known as deposit funds, are established to record certain amounts held in suspense temporarily, or held by the Government as agent for others (for example, savings accounts for military person-

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nel, State and local income taxes withheld from Federal employees' salaries, and payroll deductions for the purchase of savings bonds by civilian employees of the Government). Such transactions affect Treasury's cash balances even though they are not a part of the budget.

Exchange of cash.—The Government's deposits with the International Monetary Fund (IMF) are considered similar to cash assets. Therefore, the movement of money between the IMF and the Treasury Department is not in itself considered a receipt or an outlay, borrowing or lending. In a similar manner, the holdings of foreign currency by the Exchange Stabilization Fund (ESF)—an off-budget Federal entity—are considered as cash assets. Changes in these holdings would be considered outlays only to the extent there is a loss, and offsetting collections only to the extent there is a profit on the exchange.

Obligations to international lending organizations.—Debt instruments issued (in lieu of checks) in payment of subscriptions to international lending organizations are not considered borrowing or outlays, but remain a part of the obligated balances until they are cashed, at which time they become outlays. These differ only in form, and not in substance, from ordinary balances for unpaid obligations.

BASIS FOR BUDGET FIGURES

In general.—Receipts and repayments reflect collections. Outlays are stated in terms of checks issued, including cash paid in lieu of checks. The accrual basis is generally used for interest on the public debt; however, interest on the public debt held by trust and other Government accounts was converted to a cash basis during the transition quarter, and will remain on a cash basis for future years. When debt securities are issued at a discount (or at a premium), the difference between the sales price and the redemption value is treated as interest and is accrued evenly over time in the account that issues the securities.

Data for 1976 and the transition quarter.—The 1976 and transition quarter (July 1 through September 30, 1976) columns of this budget generally present the actual transactions and balances for those periods as recorded in agency accounts and as summarized in the central financial reports prepared by the Treasury Department. However, the budget totals have been revised retroactively, in accordance with provisions of Public Law 93–646, to include the Export-Import Bank. The reported Export-Import Bank outlays and debt figures were adjusted retroactively to July 1, 1975 principally to

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include the sale of certificates of beneficial interest as borrowing rather than as offsetting collections.

Data for 1977.—All regular appropriation acts for 1977 have become law. However, due to a lack of authorization, appropriations for certain programs traditionally included in the appropriation bill for the Departments of Labor; Health, Education, and Welfare; and related agencies have not yet been enacted, and continuing appropriations have been provided. These programs are discussed in Part III of the Budget Appendix. Also, some rescissions are pending before the Congress, and supplemental appropriations will be required in certain cases. These supplementals represent the amounts required for various pay raises including those of October 1976 and the additional amounts requested to meet previously unforeseen program costs.

Where the word "enacted" is used with reference to 1977 as in tables 1 and 9 of Part 9 of the *Budget*, the amount represents budget authority already voted by the Congress. In the case of indefinite appropriations, the enacted sums include the amounts likely to be required. Actions "pending" before the Congress include proposed rescissions awaiting Congressional consideration for inclusion in a rescission bill. "Appropriations transmitted herein" include amounts for unenacted appropriations, whether these amounts will be included in regular or supplemental appropriation bills. Where the word "estimate" is used, the amounts may include pending appropriations, needed supplementals, and enacted budget authority. Certain standard footnotes are used in Part 8 of the *Budget* (and are explained at the end of that part) to specify the status of these additional items for 1977.

Data for 1978.—This budget is complete as to the estimates for 1978. Part I of the *Budget Appendix* generally includes the proposed appropriation language for the various items identified in the budget. However, in some instances, estimates are included in the budget schedules without appropriation language for 1977 and 1978. For these, the requested amounts may already be pending, proposed legislation may be required, or the estimated amounts will be requested later when the requirements are known. In certain tables of the budget these items for later transmittal and the related outlays are separately identified. Estimates of the total requirements for 1977 and 1978 include both the amounts formally proposed and the amounts planned for later transmittal.

Data for 1979.—In order to place more emphasis on longer term objectives and plans, this budget presents 1979 estimates in somewhat greater detail than outyear estimates have been presented in the past. Data for 1979 reflect Presidential policy determinations, and are shown in a number of summary and other budget tables.

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Allowances.—Lump-sum allowances are included in the tables to cover possible additional changes. The allowance for contingencies is shown in two categories, as required by the Congressional Budget Act. The estimates in the first category, "Relatively uncontrollable programs," are zero because the probability of net decreases or net increases for such programs is believed to be equal. The second category, "Other requirements," contains estimates for requirements not now foreseen for existing programs and for the possible enactment of legislation not specifically provided for in the budget. The allowance for civilian agency pay raises includes an estimate of the additional amounts that will be required for pay raises anticipated in October 1977 for employees of civilian Government agencies. A separate allowance for pay raises is shown for the military and civilian employees of the Department of Defense and is included in its figures. These increases could not be reflected in the various program appropriation requests since the applicable detailed amounts have not yet been determined.

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PART 8

THE FEDERAL PROGRAM BY AGENCY AND ACCOUNT

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EXPLANATORY NOTE

This tabulation contains information on budget authority (BA) and outlays (O) for each appropriation and fund account. The budget authority in this tabulation takes account of certain transfers between appropriations. All budget authority items are current and definite appropriations except where otherwise indicated. In addition, budget authority and outlay data for off-budget Federal entities are presented at the end of this table.

Functional code numbers are shown for each account as a cross reference to tables 14 and 15 (pp. 330–353), where the figures are summarized by functional classification. Types of funds in the budget and the deduct entries at the end of each chapter of this tabulation are explained in Part 7 (pp. 174–178).

Congressional action in the appropriation process occasionally takes the form of a limitation on the use of a trust fund or other fund, or of an appropriation to liquidate contract authority. Amounts for such items, which do not affect budget authority, are included here in parentheses and identified in the stub column, but are not included in the totals.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
LEGISLATIVE BRANCH					
SENATE					
Federal Funds					
General and special funds:					
Compensation and mileage of the Vice President and Senators....801	BA	**4,991**	**1,267**	**5,053**	**5,056**
	O	4,965	1,247	5,053	5,056
Expense allowances of the Vice President and Majority and Minority Leaders.....801	BA	**16**	**4**	**16**	**16**
	O	16	4	16	16
Salaries, officers and employees..801	BA	**80,856**	**22,126**	**89,614**	**95,194**
				p5,396	
	O	78,361	20,087	95,010	95,194
Office of the Legislative Counsel of the Senate.....801	BA	**607**	**155**	**630**	**697**
				p31	
	O	570	149	661	697
Senate policy committees.....801	BA	**768**	**196**	**846**	**938**
				p86	
	O	596	154	932	938
Automobiles and maintenance.....801	BA	**45**	**12**	**45**	**45**
	O	36	14	45	45
Inquiries and investigations.....801	BA	**20,673**	**5,464**	**21,855**	**23,691**
				p925	
	O	20,746	5,047	22,780	23,691
Folding documents.....801	BA	**90**	**42**	**91**	**95**
				p5	
	O	82	41	96	95
Miscellaneous items.....801	BA	**18,349**	**6,840**	**19,099**	**18,870**
				p4	
	O	18,651	4,269	19,103	18,870
Postage stamps.....801	BA	**3**	**1**	**3**	**3**
	O	3	1	3	3
Stationery (revolving fund).....801	BA	**30**	**8**	**32**	**32**
	O	28	11	32	32
Public enterprise funds:					
Senate restaurant fund (revolving fund).....801	O	–97	89	.....	.....
Recording studio (revolving fund) 801	O	–106	–9	.....	.....
Total Federal funds Senate.....	BA	**126,428**	**36,115**	**143,731**	**144,637**
	O	123,851	31,104	143,731	144,637
HOUSE OF REPRESENTATIVES					
Federal Funds					
General and special funds:					
House of Representatives.....801	BA	**228,981**	**57,098**	**241,774**	**262,352**
				p10,101	
	O	197,525	56,648	251,875	262,352
JOINT ITEMS					
Federal Funds					
General and special funds:					
House item:					
Joint Items.....801	BA	**66,893**	**12,660**	**52,265**	**55,036**
				p138	
	O	48,770	16,912	52,403	55,036

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LEGISLATIVE BRANCH—Continued					
JOINT ITEMS—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Senate items:					
Joint Economic Committee.....801	BA	**1,208**	**306**	**1,423**	**1,590**
				[p]63	
	O	1,159	291	1,486	1,590
Joint Economic Committee, Subcommittee on Fiscal Policy 801	O	.....	.....	36	.....
Joint Committee on Atomic Energy 801	BA	**632**	**165**	**664**	**710**
				[p]32	
	O	505	122	696	710
Joint Committee on Printing.....801	BA	**765**	**118**	**478**	**515**
				[p]27	
	O	434	109	505	515
American Indian Policy Review Commission.....801	BA	**1,886**	**301**	**263**	.....
	O	1,513	566	263	.....
Joint Committee on Inaugural Ceremonies of 1977.....801	BA	**825**	.....	.....	.....
Capitol Guide Service.....801	BA	**423**	**153**	**389**	**402**
				[p]17	
	O	361	133	406	402
Statements of appropriations, Senate.....801	BA	**7**	**2**	**7**	**7**
	O	4	.....	7	7
Total Federal funds Joint Items.	BA	**72,639**	**13,705**	**55,766**	**58,260**
	O	52,746	18,133	55,802	58,260
CONGRESSIONAL BUDGET OFFICE					
Federal Funds					
General and special funds:					
Salaries and expenses.....801	BA	**4,868**	**1,184**	**9,319**	**10,200**
				[p]257	
	O	2,763	1,776	8,700	9,800
ARCHITECT OF THE CAPITOL					
Federal Funds					
General and special funds:					
Office of the Architect of the Capitol: Salaries.....801	BA	**1,629**	**425**	**1,770**	**1,986**
				[c]11	
				[p]82	
	O	1,636	390	1,864	1,981
Contingent expenses.....801	BA	**321**	**30**	**120**	**120**
Reappropriation.....	BA	**100**	.....	.....	.....
	O	285	26	291	120
Capitol buildings.....801	BA	**4,696**	**1,391**	**5,854**	**5,845**
				[c]182	
				[p]29	
Reappropriation.....	BA	**759**	.....	**137**	.....
	O	6,565	1,250	6,451	6,345
Extension of the Capitol.....801	O	10	.....	22	.....

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LEGISLATIVE BRANCH—Continued					
ARCHITECT OF THE CAPITOL—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Capitol grounds.....801	BA	**1,844**	**405**	**1,833** **[C]85**	**1,937**
Reappropriation.....	BA	.....	.....	**82**	.....
	O	1,663	372	2,254	1,935
Master plan for future development of the Capitol grounds and related areas.....801	BA	**350**	.....	.....	.....
	O	2	36	261	50
Acquisition of property as an addition to the Capitol grounds 801	O	.....	.....	42	.....
Senate office buildings.....801	BA	**9,018**	**2,079**	**10,408** **[C]426** **[D]19**	**9,332**
Reappropriation.....	BA	**225**	.....	**56**	.....
	O	8,613	2,043	11,154	10,363
Construction of an extension to the New Senate Office Building.....801	O	2,570	1,666	10,646	31,270
Extension of additional Senate Office Building site.....801	O	25	.....	78	.....
Acquisition of property as a site for parking facilities for the United States Senate.....801	O	563	53	157	.....
Plans for garage and related facilities for the United States Senate.....801	O	.....	.....	49	.....
Senate garage.....801	BA	**134**	**34**	**140** **[C]10**	**154**
	O	132	31	152	154
House office buildings.....801	BA	**10,253**	**2,596**	**14,448** **[C]653**	**18,451**
	O	14,600	3,475	21,708	20,780
Acquisition of property, construction, and equipment, additional House Office Building.....801	O	59	4	87	.....
Capitol Power Plant.....801	BA	**9,088**	**2,442**	**11,172** **[C]67**	**12,317**
	O	8,720	2,605	10,971	12,315
Expansion of facilities, Capitol Power Plant.....801	O	113	4	284	.....
Modifications and enlargement, Capitol Power Plant.....801	BA	.....	.....	**12,000**	.....
	O	5,181	338	6,275	9,105
Congressional cemetery.....801	BA	.....	.....	.....	**225**
	O	.....	.....	.....	225
Alterations and improvements, buildings and grounds, to provide facilities for the physically handicapped.....801	BA	**2,700**	.....	.....	.....
	O	13	45	630	1,815

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LEGISLATIVE BRANCH—Continued					
ARCHITECT OF THE CAPITOL—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Structural and mechanical care, Library buildings and grounds.801	BA	**2,103**	**485**	**2,241** [C]**109** [D]**5**	**2,453**
Reappropriation	BA	**70**	.....	**71**	.....
	O	2,078	478	2,490	2,512
Library of Congress, James Madison Memorial Building.....801	BA	**33,000**	.....	.....	.....
	O	4,453	2,386	33,907	26,658
Total Federal funds Architect of the Capitol.	BA	**76,290**	**9,887**	**62,010**	**52,820**
	O	57,281	15,202	109,773	125,628
LIBRARY OF CONGRESS					
Federal Funds					
General and special funds:					
Salaries and expenses.....503	BA	**72,595**	**19,233**	**81,017** [C]**187** [D]**2,413**	**93,407**
Reappropriation	BA	**300**	.....	.....	.....
	O	70,590	17,825	84,626	92,310
Copyright Office: Salaries and expenses.....403	BA	**6,978**	**1,984**	**9,408** [D]**361**	**10,992**
	O	7,113	1,647	9,897	10,930
National Commission on New Technological Usage of Copyrighted Works: Salaries and expenses.....403	BA	**337**	**118**	**560**	**248**
	O	194	68	592	304
Congressional Research Service: Salaries and expenses.....801	BA	**17,199**	**4,662**	**19,329** [D]**932**	**22,851**
	O	17,343	4,130	21,021	22,725
Books for the blind and physically handicapped: Salaries and expenses.....503	BA	**15,905**	**3,767**	**21,729** [C]**9** [D]**80**	**32,007**
	O	12,670	2,235	20,642	26,505
Collection and distribution of library materials (special foreign currency program).....503	BA	**2,014**	**498**	**2,910**	**3,441**
	O	2,565	615	2,752	3,565
Furniture and furnishings.....503	BA	**4,078**	**145**	**2,942**	**10,680**
Reappropriation	BA	**20**	.....	.....	.....
	O	998	139	3,697	9,716
Oliver Wendell Holmes devise fund (special fund): Permanent.....503	BA	**24**	**6**	**24**	**4**
	O	20	.....	20	20
Intragovernmental funds:					
Consolidated working fund.....503	O	559	29	−504	23
Total Federal funds Library of Congress.	BA	**119,450**	**30,413**	**141,901**	**173,630**
	O	112,052	26,688	142,743	166,098
Trust Funds					
Gift and trust fund accounts, non-revolving: Permanent.....503	BA	**4,824**	**816**	**4,549**	**4,440**
	O	5,141	743	4,652	4,273

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LEGISLATIVE BRANCH—Continued					
GOVERNMENT PRINTING OFFICE					
Federal Funds					
General and special funds:					
Printing and binding....801	BA	**109,294**	**27,324**	**93,639**	**104,718**
	O	87,269	21,137	101,000	109,000
Office of Superintendent of Documents: Salaries and expenses 806	BA	**44,365**	**11,189**	**47,188**	**49,602**
	O	34,847	11,175	55,429	48,624
Acquisition of site and general plans and designs of buildings....806	BA	.....	.....	.....	**15,500**
	O	.....	.....	.....	20,100
Project planning....806	BA	**210**	.....	.....	.....
	O	213	5	.....	.....
Intragovernmental funds:					
Government Printing Office revolving fund....806	O	−28,938	8,271	−28,323	−21,568
Total Federal funds Government Printing Office.	BA	**153,869**	**38,513**	**140,827**	**169,820**
	O	93,391	40,588	128,106	156,156
GENERAL ACCOUNTING OFFICE					
Federal Funds					
General and special funds:					
Salaries and expenses....801	BA	**134,903**	**35,085**	**150,580** [A]**359** [D]**6,509**	**167,522**
	O	131,778	32,688	161,934 [A]359	167,602
UNITED STATES TAX COURT					
Federal Funds					
General and special funds:					
Salaries and expenses....752	BA	**6,715**	**1,669**	**7,222** [D]**32**	**7,758**
	O	6,711	1,743	7,157	7,762
Construction....752	O	174	2	2,198	398
Total Federal funds United States Tax Court.	BA	**6,715**	**1,669**	**7,254**	**7,758**
	O	6,885	1,745	9,355	8,160
Trust Funds					
Tax Court judges survivors annuity fund: Permanent, indefinite....602	BA	**88**	**30**	**96**	**100**
	O	34	10	44	44
OTHER LEGISLATIVE BRANCH AGENCIES					
Federal Funds					
General and special funds:					
Commission on Security and Cooperation in Europe: Salaries and expenses....801	BA	.....	**340**	.....	**350**
	O	.....	3	317	348
Botanic Garden: Salaries and Expenses....801	BA	**1,252**	**297**	**1,165** [C]**68**	**1,308**
	O	1,235	284	1,281	1,305
Copyright Royalty Tribunal: Salaries and expenses....403	BA	.....	.....	**268** [D]**8**	**673**
	O	.....	.....	221	593
Cost-Accounting Standards Board: Salaries and expenses....801	BA	**1,635**	**410**	**1,700**	**1,700**
	O	1,447	325	1,633	1,649

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LEGISLATIVE BRANCH—Continued					
OTHER LEGISLATIVE BRANCH AGENCIES—Con.					
Federal Funds—Continued					
General and special funds:—Continued					
Temporary Commission on Financial Oversight of the District of Columbia: Salaries and expenses 801	BA			[1]**1,500**	**3,000**
	O			[1]1,500	3,000
Office of Technology Assessment: Salaries and expenses 801	BA	**6,143**	**1,512**	**6,624** [1]**729** [p]**173**	**8,500**
Reappropriation	BA	**435**			
	O	5,035	1,157	9,017 [1]629	8,510 [1]100
Total Federal funds Other Legislative Branch Agencies.	BA	**9,465**	**2,559**	**12,235**	**15,531**
	O	7,717	1,769	14,598	15,505
Trust Funds					
Office of Technology Assessment: Contributions and donations 801	O			1	
SUMMARY					
Federal funds:					
(As shown in detail above)	BA	**933,608**	**226,228**	**982,623**	**1,062,530**
	O	785,989	226,341	1,026,976	1,114,198
Deductions for offsetting receipts:					
Intrafund transactions 803	BA, O	*–287*	*–132*	*–285*	*–285*
902	BA, O	*–4*	*–1*		
Proprietary receipts from the public 503	BA, O	*–7,617*	*–1,401*	*–7,911*	*–7,911*
801	BA, O	*–1,012*	*–88*	*–949*	*–935*
803	BA, O	*–4,304*	*–1,459*	*–4,350*	*–4,350*
Total Federal funds	BA	**920,384**	**223,147**	**969,128**	**1,049,049**
	O	772,765	223,260	1,013,481	1,100,717
Trust funds:					
(As shown in detail above)	BA	**4,912**	**846**	**4,645**	**4,540**
	O	5,175	753	4,697	4,317
Deductions for offsetting receipts:					
Proprietary receipts from the public 503	BA, O	*–2,516*	*–426*	*–2,469*	*–2,469*
902	BA, O	*–30*	*–17*	*–92*	*–92*
Total trust funds	BA	**2,366**	**403**	**2,084**	**1,979**
	O	2,629	310	2,136	1,756
Interfund transactions 803	BA, O	**–28**	**–31**	**–30**	**–30**
Total Legislative Branch	BA	**922,722**	**223,519**	**971,182**	**1,050,998**
	O	775,366	223,539	1,015,587	1,102,443

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THE JUDICIARY					
SUPREME COURT OF THE UNITED STATES					
Federal Funds					
General and special funds:					
Salaries and expenses 752	BA	**6,582**	**1,576**	**7,482**	**8,273**
				[D]**250**	
	O	6,052	1,602	7,560	7,973
Care of the buildings and grounds 752	BA	**1,454**	**196**	**800**	**826**
				[C]**31**	
	O	1,113	270	1,495	985
Total Federal funds Supreme Court of the United States.	BA	**8,036**	**1,772**	**8,563**	**9,099**
	O	7,165	1,872	9,055	8,958
COURT OF CUSTOMS AND PATENT APPEALS					
Federal Funds					
General and special funds:					
Salaries and expenses 752	BA	**853**	**224**	**898**	**950**
				[D]**29**	
	O	844	222	935	949
CUSTOMS COURT					
Federal Funds					
General and special funds:					
Salaries and expenses 752	BA	**2,630**	**678**	**2,705**	**2,782**
				[D]**108**	
	O	2,521	630	2,803	2,785
COURT OF CLAIMS					
Federal Funds					
General and special funds:					
Salaries and expenses 752	BA	**2,454**	**623**	**2,536**	**2,738**
				[D]**59**	
	O	2,400	587	2,615	2,727
COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES					
Federal Funds					
General and special funds:					
Salaries of judges 752	BA	**28,750**	**7,230**	**29,782**	**30,835**
	O	28,041	7,127	29,736	30,786
Salaries of supporting personnel..752	BA	**119,475**	**31,198**	**132,250**	**150,492**
				[D]**6,813**	
	O	117,334	31,686	139,347	150,276
Representation by court-appointed counsel and operation of defender organizations....751	BA	**19,046**	**4,775**	**20,686**	**24,752**
				[D]**314**	
	O	19,954	4,055	21,758	24,931
Fees of jurors and commissioners 752	BA	**20,000**	**5,000**	**19,350**	**23,250**
				[A]**2,150**	
	O	19,377	4,099	18,836	23,075
				[A]2,093	[A]57
Travel and miscellaneous expenses 752	BA	**20,040**	**4,883**	**24,380**	**28,653**
	O	18,377	4,080	24,592	28,098
Salaries and expenses of United States magistrates 752	BA	**10,914**	**2,857**	**12,341**	**15,057**
				[D]**1,520**	
	O	9,918	2,860	13,608	14,975
Speedy trial planning 752	O	339	83	600	600

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THE JUDICIARY—Continued					
COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Pre-trial services agencies, The Judiciary 752	0	1,221	472	3,000	3,000
Commission on Revision of the Federal Court Appellate System of the United States 752	0	98	8	.....	.....
Salaries and expenses of referees 752	BA	**26,071**	**7,029**	**29,541**	**31,998**
				D815	
	0	23,425	6,784	30,127	31,801
Total Federal funds Courts of Appeals, District Courts, and other Judicial Services.	BA	**244,296**	**62,972**	**279,942**	**305,037**
	0	238,084	61,254	283,697	307,599
ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS					
Federal Funds					
General and special funds:					
Salaries and expenses 752	BA	**8,031**	**2,055**	**8,980**	**10,500**
				D354	
	0	7,720	2,239	9,458	10,258
Judicial survivors' annuity program 602	BA			A31,100	
	0			A31,100	
Intragovernmental funds:					
Consolidated working fund 752	0	−103	34	18	.....
Total Federal funds Administrative office of the United States Courts.	BA	**8,031**	**2,055**	**40,434**	**10,500**
	0	7,617	2,273	40,576	10,258
FEDERAL JUDICIAL CENTER					
Federal Funds					
General and special funds:					
Salaries and expenses 752	BA	**6,565**	**1,739**	**7,650**	**6,560**
				D102	
	0	4,135	1,149	7,172	7,332
SPACE AND FACILITIES, THE JUDICIARY					
Federal Funds					
General and special funds:					
Space and facilities 752	BA	**64,000**	**16,000**	**71,980**	**92,595**
	0	56,454	16,189	75,150	91,161
EXPENSES, UNITED STATES COURT FACILITIES					
Federal Funds					
General and special funds:					
Furniture and furnishings 752	BA	**4,570**	**425**	**4,940**	**8,099**
	0	4,415	958	4,713	6,622
BICENTENNIAL EXPENSES, THE JUDICIARY					
Federal Funds					
General and special funds:					
Bicentennial activities 806	BA	**2,000**	.....	.....	.....
	0	107	12	1,500	381

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THE JUDICIARY—Continued					
JUDICIARY TRUST FUNDS					
Trust Funds					
Judicial survivors' annuity fund: Indefinite 602	BA			[1]31,100	
Permanent	BA	**2,216**	**549**	**2,276**	**2,333**
	O	1,355	347	1,403	1,443
Operation of the Public Defender Service for the District of Columbia: Permanent 751	BA	**2,147**	**581**	**1,911**	**2,006**
	O	2,238	521	1,894	1,970
Total trust funds Judiciary Trust Funds.	BA	**4,363**	**1,130**	**35,287**	**4,339**
	O	3,593	868	3,297	3,413
SUMMARY					
Federal funds:					
(As shown in detail above)	BA	**343,435**	**86,488**	**419,946**	**438,360**
	O	323,742	85,146	428,216	438,772
Deductions for offsetting receipts: Proprietary receipts from the public 750	BA, O	*–161*	*–233*	*–166*	*–166*
902	BA, O	*–7*	*–12*	*–15*	*–15*
Total Federal funds	BA	**343,267**	**86,243**	**419,765**	**438,179**
	O	323,574	84,901	428,035	438,591
Trust funds:					
(As shown in detail above)	BA	**4,363**	**1,130**	**35,287**	**4,339**
	O	3,593	868	3,297	3,413
Deductions for offsetting receipts: Proprietary receipts from the public 751	BA, O	*–2,147*	*–581*	*–1,911*	*–2,006*
Total trust funds	BA	**2,216**	**549**	**33,376**	**2,333**
	O	1,446	287	1,386	1,407
Interfund transactions 602	BA, O			**–31,100**	
Total The Judiciary	BA	**345,483**	**86,792**	**422,041**	**440,512**
	O	325,020	85,188	398,321	439,998
EXECUTIVE OFFICE OF THE PRESIDENT					
COMPENSATION OF THE PRESIDENT					
Federal Funds					
General and special funds:					
Compensation of the President 802	BA	**250**	**62**	**250**	**250**
	O	250	62	250	250
THE WHITE HOUSE OFFICE					
Federal Funds					
General and special funds:					
Salaries and expenses 802	BA	**16,763**	**4,191**	**16,530** [2]**632**	**17,580**
	O	15,791	4,136	17,126	17,616

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
EXECUTIVE OFFICE OF THE PRESIDENT—Continued					
EXECUTIVE RESIDENCE					
Federal Funds					
General and special funds:					
Operating expenses.....802	BA	**1,902**	**485**	**2,095**	**2,157**
				[c]**35**	
				[p]**50**	
	O	1,863	543	2,178	2,159
OFFICIAL RESIDENCE OF THE VICE PRESIDENT					
Federal Funds					
General and special funds:					
Operating expenses.....802	BA	**274**	**26**	**61**	**61**
	O	298	34	161	170
SPECIAL ASSISTANCE TO THE PRESIDENT					
Federal Funds					
General and special funds:					
Salaries and expenses.....802	BA	**1,001**	**253**	**1,246**	**1,327**
				[p]**25**	
	O	1,044	217	1,269	1,329
COUNCIL OF ECONOMIC ADVISERS					
Federal Funds					
General and special funds:					
Salaries and expenses.....802	BA	**1,621**	**400**	**1,718**	**1,841**
	O	1,571	323	1,737	1,865
Intragovernmental funds:					
Consolidated working fund.....802	O	4	.....	.....	.....
Total Council of Economic Advisers.	BA	**1,621**	**400**	**1,718**	**1,841**
	O	1,575	323	1,737	1,865
COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY					
Federal Funds					
General and special funds:					
Council on Environmental Quality and Office of Environmental Quality.....802	BA	**3,236**	**822**	**3,300**	**3,529**
	O	2,991	1,101	3,300	3,529
Intragovernmental funds:					
Consolidated working fund.....802	O	190	−765	500	.....
Total Council on Environmental Quality and Office of Environmental Quality.	BA	**3,236**	**822**	**3,300**	**3,529**
	O	3,181	336	3,800	3,529
COUNCIL ON INTERNATIONAL ECONOMIC POLICY					
Federal Funds					
General and special funds:					
Salaries and expenses: Indefinite.802	BA	**1,650**	**412**	**1,450**	[k]**1,450**
	O	1,614	246	1,612	1,440

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
EXECUTIVE OFFICE OF THE PRESIDENT—Continued					
COUNCIL ON WAGE AND PRICE STABILITY					
Federal Funds					
General and special funds:					
Salaries and expenses 802	BA	**1,589**	**418**	**1,607** **[p]69**	**[k]1,690**
	O	1,464	566	1,666	1,680
DOMESTIC COUNCIL					
Federal Funds					
General and special funds:					
Salaries and expenses 802	BA	**1,646**	**413**	**1,700** **[p]75**	**1,850**
	O	1,542	338	1,768	1,850
Intragovernmental funds:					
Consolidated working fund 802	O	−34	.....	34	.....
Total Domestic Council	BA	**1,646**	**413**	**1,775**	**1,850**
	O	1,508	338	1,802	1,850
NATIONAL SECURITY COUNCIL					
Federal Funds					
General and special funds:					
Salaries and expenses 802	BA	**3,052**	**674**	**3,210** **[p]60**	**3,305**
	O	3,192	607	3,310	3,320
OFFICE OF DRUG ABUSE POLICY					
Federal Funds					
General and special funds:					
Salaries and expenses 802	BA	**250**	.....	.....	.....
OFFICE OF MANAGEMENT AND BUDGET					
Federal Funds					
General and special funds:					
Salaries and expenses 802	BA	**24,250**	**6,058**	**25,300** **[p]572**	**26,270**
	O	22,914	5,200	25,970	26,270
Office of the Federal Procurement Policy: Salaries and expenses 802	BA	**754**	**192**	**1,627** **[p]54**	**1,840**
	O	678	173	1,650	1,840
Total Office of Management and Budget.	BA	**25,004**	**6,250**	**27,553**	**28,110**
	O	23,592	5,373	27,620	28,110
OFFICE OF SCIENCE AND TECHNOLOGY POLICY					
Federal Funds					
General and special funds:					
Salaries and expenses 802	BA	**500**	**500**	**2,300**	**3,200**
	O	.....	3	2,200	3,200

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
EXECUTIVE OFFICE OF THE PRESIDENT—Continued					
OFFICE OF THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS					
Federal Funds					
General and special funds:					
Salaries and expenses.....802	BA	**2,020**	**509**	**2,250** [A]120 [D]65	**2,680**
	O	2,018	500	2,330 [A]115	2,545 [A]5
OFFICE OF TELECOMMUNICATIONS POLICY					
Federal Funds					
General and special funds:					
Salaries and expenses.....802	BA	**8,500**	**2,100**	**8,206** [D]270	**2,962**
	O	9,009	2,136	8,365	2,944
SPECIAL ACTION OFFICE FOR DRUG ABUSE PREVENTION					
Federal Funds					
General and special funds:					
Salaries and expenses.....553	O	6,055	751	2,701	.....
Special fund for drug abuse.....553	O	6,770	37	3,077	.....
Total Special Action Office for Drug Abuse Prevention.	O	12,825	788	5,778	.....
SUMMARY					
Federal funds:					
Total Executive Office of the President.	BA	**69,258**	**17,515**	**74,877**	**71,992**
	O	79,224	16,208	81,319	72,012
FUNDS APPROPRIATED TO THE PRESIDENT					
APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS					
Federal Funds					
General and special funds:					
Appalachian regional development programs.....452	BA	**126,000**	**12,500**	**118,000**	**102,900**
Contract authority.....	BA	.....	.....	.....	**15,000**
Permanent.....	BA	**185,000**	.....	.....	**180,000**
Liquidation of contract authority....		(162,200)	(37,500)	(185,000)	(205,300)
	O	318,360	73,361	324,500	324,000
Public enterprise funds:					
Appalachian housing fund.....452	O	923	178	2,000	2,000
Total Appalachian Regional Development Programs.	BA	**311,000**	**12,500**	**118,000**	**297,900**
	O	319,283	73,539	326,500	326,000
DISASTER RELIEF					
Federal Funds					
General and special funds:					
Disaster relief.....453	BA	**150,000**	**37,500**	**100,000** [A]**100,000**	**150,000**
	O	291,137	71,321	250,000 [A]50,000	100,000 [A]50,000

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
FUNDS APPROPRIATED TO THE PRESIDENT—Continued					
ECONOMIC STABILIZATION ACTIVITIES					
Federal Funds					
General and special funds:					
Salaries and expenses 802	0	450	32	.....	.....
UNANTICIPATED NEEDS					
Federal Funds					
General and special funds:					
Unanticipated needs 802	BA	**1,000**	**250**	**1,000**	**1,000**
	0	373	−15	1,000	1,000
EXPANSION OF DEFENSE PRODUCTION					
Federal Funds					
Public enterprise funds:					
Revolving fund, Defense Production Act 054	0	−1,861	.....	.....	.....
EXPENSES OF MANAGEMENT IMPROVEMENT					
Federal Funds					
General and special funds:					
Expenses of management improvement 802	0	126	25	499	.....
FOREIGN ASSISTANCE					
International Security Assistance					
Federal Funds					
General and special funds:					
Military assistance 052	BA	**225,000**	**27,200**	**247,300**	**K230,000**
				B15,000	
Liquidation of contract authority....		(275,000)	.....	.....	.....
	0	366,999	244,365	400,000	300,000
				B15,000	
International military education and training 052	BA	**23,000**	**5,750**	**25,000**	**K35,700**
	0	.....	8,879	24,983	31,100
Military assistance, South Vietnamese Forces 052	0	147,589	1,467	7,769	.....
Foreign military credit sales 052	BA	**1,065,000**	**140,000**	**740,000**	**K709,500**
				H−41,500	
	0	280,178	757,666	590,000	570,000
				H−15,000	H−10,000
Security supporting assistance 151	BA	**1,689,900**	**269,700**	**1,734,700**	**K1,459,200**
	0	600,826	284,638	1,457,304	1,430,550
Emergency security assistance for Israel 052	0	591,093	27,842	10,548	.....
Military credit sales to Israel 052	0	1,901	.....	.....	.....
Public enterprise funds:					
Liquidation of foreign military sales fund 052	0	−68,155	−16,322	−7,000	−4,500
Trust Funds					
Advances, foreign military sales: 052					
Contract authority, Permanent, indefinite.	BA	**12,684,260**	**1,132,989**	**6,508,667**	**6,916,499**
Liquidation of contract authority.....		(7,257,095)	(2,539,249)	(8,800,000)	(8,800,000)
	0	6,656,753	1,812,972	8,335,000	8,800,000

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
FUNDS APPROPRIATED TO THE PRESIDENT—Continued					
FOREIGN ASSISTANCE—Continued					
International Security Assistance—Continued					
Summary					
Federal funds:					
(As shown in detail above)	BA	**3,002,900**	**442,650**	**2,720,500**	**2,434,400**
	O	1,920,431	1,308,535	2,483,604	2,317,150
Deductions for offsetting receipts:					
Proprietary receipts from the public....052	BA } O }	*–218,692*	*–114,173*	*–311,300*	*–309,600*
Total Federal funds	BA	**2,784,208**	**328,477**	**2,409,200**	**2,124,800**
	O	1,701,739	1,194,362	2,172,304	2,007,550
Trust funds:					
(As shown in detail above)	BA	**12,684,260**	**1,132,989**	**6,508,667**	**6,916,499**
	O	6,656,753	1,812,972	8,335,000	8,800,000
Deductions for offsetting receipts:					
Proprietary receipts from the public....052	BA } O }	*–7,257,095*	*–2,539,249*	*–8,800,000*	*–8,800,000*
Total trust funds	BA	**5,427,165**	**–1,406,260**	**–2,291,333**	**–1,883,501**
	O	–600,342	–726,277	–465,000	.....
Total International Security Assistance.	BA	**8,211,373**	**–1,077,783**	**117,867**	**241,299**
	O	1,101,397	468,085	1,707,304	2,007,550
Indochina postwar reconstruction assistance					
Federal Funds					
General and special funds:					
Indochina postwar reconstruction assistance....151	O	64,513	–3,302	11,149	.....
International Development Assistance					
MULTILATERAL ASSISTANCE					
Federal Funds					
General and special funds:					
International financial institutions 151	BA	**695,635**	.....	**745,477**	[K]**1,985,470**
				[A]**540,000**	
	O	901,949	345,427	864,700	974,695
				[A]3,000	[A]84,000
Payment to the International Fund for Agricultural Development....151	BA	**200,000**	.....	.....	.....
	O	.....	.....	2,000	12,000
International organizations and programs....151	BA	**201,750**	**18,550**	**212,750**	[K]**226,000**
				[A]**31,000**	
	O	143,421	84,740	194,763	215,209
				[A]21,886	[A]8,221
Total Federal funds, Multilateral Assistance.	BA	**1,097,385**	**18,550**	**1,529,227**	**2,211,470**
	O	1,045,370	430,167	1,086,349	1,294,125
BILATERAL ASSISTANCE					
Federal Funds					
General and special funds:					
Functional development assistance program....151	BA	**684,400**	**165,850**	**856,000**	[K]**1,006,800**
	O	641,249	13,316	688,032	801,600
Sahel development program 151	BA				[J]**50,000**
	O				[J]5,000

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
FUNDS APPROPRIATED TO THE PRESIDENT—Continued					
FOREIGN ASSISTANCE—Continued					
International Development Assistance—Con.					
BILATERAL ASSISTANCE—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Payment to Foreign Service retirement and disability fund .152	BA	**16,680**	.....	**16,680**	**21,450**
				[4]**4,570**	
	O	16,090	580	16,680	21,450
				[4]4,570	
American schools and hospitals abroad.....151	BA	**19,800**	**2,400**	**19,800**	[K]**7,500**
	O	17,030	6,982	18,552	13,576
International disaster assistance .151	BA	**95,000**	**10,000**	**45,000**	[K]**45,000**
	O	26,170	8,190	77,821	62,758
Operating expenses of the Agency for International Development.....151	BA	**194,600**	**55,500**	**192,000**	[K]**220,200**
				[P]**3,400**	
	O	14,791	196,109	201,688	218,665
Miscellaneous appropriations.....151	BA	**5,000**	.....	.....	.....
	O	46,158	15,335	60,841	44,332
Public enterprise funds:					
Development loans—revolving fund 151	O	252,771	107,600	140,098	65,080
Development loan fund (liquidation account).....151	O	1	.....	.....	.....
Housing and other credit guaranty programs.....151	O	−92	616	.....	.....
Overseas Private Investment Corporation: 151					
Authority to spend public debt receipts.	BA	.....	.....	.....	[K]**150,000**
	O	−48,286	−1,765	−34,515	−7,833
Inter-American Foundation 151	O	7,128	1,567	8,179	8,280
Intragovernmental funds:					
Advance acquisition of property—revolving fund.....151	O	193	−375	.....	.....
Office of the Inspector General of Foreign Assistance.....151	O	−99	95	.....	.....
Consolidated working fund 151	O	2,523	−22	.....	.....
Total Federal funds, Bilateral Assistance.	BA	**1,015,480**	**233,750**	**1,137,450**	**1,500,950**
	O	975,627	348,228	1,181,946	1,232,908
Trust Funds					
Miscellaneous trust funds: Permanent, indefinite 151	BA	**5,224**	**679**	**4,000**	**4,000**
	O	5,612	556	4,000	4,000
Summary					
Federal funds:					
(As shown in detail above).....	BA	**2,112,865**	**252,300**	**2,666,677**	**3,712,420**
	O	2,020,997	778,395	2,268,295	2,527,033
Deductions for offsetting receipts:					
Proprietary receipts from the public.....150	BA, O	*−200,102*	*−101,324*	*−282,779*	*−299,550*
902	BA, O	*−151,923*	*−67,886*	*−214,065*	*−233,805*
Total Federal funds.....	BA	**1,760,840**	**83,090**	**2,169,833**	**3,179,065**
	O	1,668,972	609,185	1,771,451	1,993,678

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
FUNDS APPROPRIATED TO THE PRESIDENT—Continued					
FOREIGN ASSISTANCE—Continued					
International Development Assistance—Con.					
Summary—Continued					
Trust funds:					
(As shown in detail above)	BA	**5,224**	**679**	**4,000**	**4,000**
	O	5,612	556	4,000	4,000
Deductions for offsetting receipts:					
Proprietary receipts from the public.....151	BA }	*–5,224*	*–679*	*–4,000*	*–4,000*
	O }				
Total trust funds	O	388	–123	.....	.....
Total International Development Assistance.	BA	**1,760,840**	**83,090**	**2,169,833**	**3,179,065**
	O	1,669,360	609,062	1,771,451	1,993,678
International Narcotics Control Assistance					
Federal Funds					
General and special funds:					
International narcotics control:	BA	**37,500**	**9,375**	**34,000**	**[K]39,000**
Indefinite.....151	O	42,089	3,044	35,700	36,100
Contingencies					
Federal Funds					
General and special funds:					
President's foreign assistance contingency fund.....151	BA	**5,000**	**1,250**	**5,000**	**[K]5,000**
	O	2,402	1,442	4,377	4,617
Middle East special requirements fund.....151	BA	**50,000**	**10,000**	**23,000**	**[K]25,000**
	O	35,422	7,942	35,639	38,049
Total Contingencies	BA	**55,000**	**11,250**	**28,000**	**30,000**
	O	37,824	9,384	40,016	42,666
Total Federal funds Foreign Assistance.	BA	**4,637,548**	**432,192**	**4,641,033**	**5,372,865**
	O	3,515,137	1,812,673	4,030,620	4,079,994
Total trust funds Foreign Assistance.	BA	**5,427,165**	**–1,406,260**	**–2,291,333**	**–1,883,501**
	O	–599,954	–726,400	–465,000	.....
ISRAEL-UNITED STATES BINATIONAL INDUSTRIAL RESEARCH AND DEVELOPMENT FOUNDATION					
Federal Funds					
General and special funds:					
Israel-United States binational industrial research and development foundation.....151	BA			**[A]30,000**	
	O			[A]30,000	
BALANCE OF PAYMENTS LOAN FOR PORTUGAL					
Federal Funds					
General and special funds:					
Balance of payments loan for Portugal.....155	BA			**[J]300,000**	**[J]130,000**
	O			[J]300,000	[J]130,000
PETROLEUM RESERVES					
Federal Funds					
General and special funds:					
Petroleum reserves.....305	BA	**24,152**	**15,350**	**406,116**	.....
Current, indefinite	BA	.....	.....	**400,340**	**561,200**
	O	.....	.....	327,421	1,008,110

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FUNDS APPROPRIATED TO THE PRESIDENT—Continued					
PETROLEUM RESERVES—Continued					
Summary					
Federal funds:					
(As shown in detail above)	BA	**24,152**	**15,350**	**806,456**	**561,200**
	O			327,421	1,008,110
Deductions for offsetting receipts:					
Proprietary receipts from the public.....305	BA O		*–12,340*	*–400,340*	*–561,200*
Total Petroleum Reserves	BA	**24,152**	**3,010**	**406,116**	
	O		–12,340	–72,919	446,910
EMERGENCY REFUGEE AND MIGRATION ASSISTANCE					
Federal Funds					
General and special funds:					
Emergency refugee and migration assistance fund.....151	BA	**15,000**			**15,000**
				[1]6,360	
	O		2,604	12,396	11,244
				[1]2,604	[1]3,756
PUBLIC WORKS ACCELERATION					
Federal Funds					
General and special funds:					
Public works acceleration.....452	O			1,165	
SUMMARY					
Federal funds:					
(As shown in detail above)	BA	**5,709,417**	**781,175**	**6,910,993**	**7,370,920**
	O	4,695,362	2,243,562	6,140,349	6,553,059
Deductions for offsetting receipts:					
Proprietary receipts from the public.....052	BA O	*–218,692*	*–114,173*	*–311,300*	*–309,600*
150	BA O	*–200,102*	*–101,324*	*–282,779*	*–299,550*
305	BA O		*–12,340*	*–400,340*	*–561,200*
902	BA O	*–151,923*	*–67,886*	*–214,065*	*–233,805*
Total Federal funds	BA	**5,138,700**	**485,452**	**5,702,509**	**5,966,765**
	O	4,124,645	1,947,839	4,931,865	5,148,904
Trust funds:					
(As shown in detail above)	BA	**12,689,484**	**1,133,668**	**6,512,667**	**6,920,499**
	O	6,662,365	1,813,528	8,339,000	8,804,000
Deductions for offsetting receipts:					
Proprietary receipts from the public.....052	BA O	*–7,257,095*	*–2,539,249*	*–8,800,000*	*–8,800,000*
151	BA O	*–5,224*	*–679*	*–4,000*	*–4,000*
Total trust funds	BA	**5,427,165**	**–1,406,260**	**–2,291,333**	**–1,883,501**
	O	–599,954	–726,400	–465,000	
Total Funds Appropriated to the President.	BA	**10,565,865**	**–920,808**	**3,411,176**	**4,083,264**
	O	3,524,691	1,221,439	4,466,865	5,148,904

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF AGRICULTURE					
DEPARTMENTAL MANAGEMENT					
Departmental Administration					
Federal Funds					
General and special funds:					
Departmental administration.....352	BA	**16,402**	**4,151**	**14,129** [C]**22** [D]**651**	**14,292**
	O	17,435	−885	14,410	13,900
Office of the Secretary.....352	BA	**2,326**	**564**	**2,283** [D]**54**	**2,496**
	O	3,062	1,259	2,244	2,403
Office of the Inspector General.....352	BA	**24,223**	**6,121**	**26,366** [A]**396** [D]**696** [G]**299**	**28,058**
	O	23,618	5,711	26,886 [A]396	27,583
Office of the General Counsel.....352	BA	**8,517**	**2,156**	**8,708** [A]**156** [D]**457**	**9,461**
	O	8,816	1,831	8,986 [A]156	9,282
Intragovernmental funds:					
Working capital fund.....352	O	−5,024	−1,352	.....	.....
Miscellaneous consolidated working funds.....352	O	−36	−236	.....	.....
Total Federal funds	BA	**51,468**	**12,992**	**54,217**	**54,307**
Departmental Administration.	O	47,871	6,328	53,078	53,168
Federal Grain Inspection Service					
Federal Funds					
General and special funds:					
Salaries and expenses.....352	BA	.....	.....	**7,610** [A]**1,397**	**13,595**
	O	.....	.....	7,610 [A]1,397	13,595
Public enterprise funds:					
Inspection and weighing services 352	BA O			[A]**8,007** [A]8,007	
Total Federal funds Federal	BA	.....	.....	**17,014**	**13,595**
Grain Inspection Service.	O	.....	.....	17,014	13,595
Total Federal funds	BA	**51,468**	**12,992**	**71,231**	**67,902**
Departmental Management.	O	47,871	6,328	70,092	66,763
SCIENCE AND EDUCATION PROGRAMS					
Agricultural Research Service					
Federal Funds					
General and special funds:					
Agricultural Research Service.....352	BA	**281,839**	**64,417**	**270,576** [A]**1,020** [C]**1,480** [D]**8,533**	**319,719**
Reappropriation.....	BA	**1,000**	.....	**1,000**	.....
	O	239,285	66,560	315,513 [A]1,020	315,189

See footnotes at end of table.

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF AGRICULTURE—Continued					
SCIENCE AND EDUCATION PROGRAMS—Con.					
Agricultural Research Service—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Scientific activities overseas (special foreign currency program).....352	BA	**7,500**	**1,850**	**7,500**	**7,500**
	O	7,369	3,012	9,067	7,100
Total Federal funds Agricultural Research Service.	BA	**290,339**	**66,267**	**290,109**	**327,219**
	O	246,654	69,572	325,600	322,289
Trust Funds					
Miscellaneous contributed funds: Permanent, indefinite.....352	BA	**796**	**324**	**807**	**808**
	O	787	202	782	798
Animal and Plant Health Inspection Service					
Federal Funds					
General and special funds:					
Animal and Plant Health Inspection Service: (Agricultural research and services).....352	BA	**149,425**	**39,499**	**171,244** [A]**1,041** [D]**4,256**	**189,237**
	O	158,177	45,499	186,148 [A]1,041	192,889
(Prevention and control of health problems).....553	BA	**228,304**	**65,216**	**232,361** [D]**8,217**	**242,082**
	O	216,615	50,497	239,294	240,955
Total, Animal and Plant Health Inspection Service.	BA	**377,729**	**104,715**	**417,119**	**431,319**
	O	374,792	95,996	426,483	433,844
Animal quarantine station: Permanent, indefinite.....352	BA	**100**	.....	**327**	.....
	O	.....	.....	50	471
Total Federal funds Animal and Plant Health Inspection Service.	BA	**377,829**	**104,715**	**417,446**	**431,319**
	O	374,792	95,996	426,533	434,315
Trust Funds					
Miscellaneous trust funds: Permanent, indefinite.....352	BA	**1,656**	**437**	**2,428**	**2,667**
	O	1,653	328	2,432	2,671
Cooperative State Research Service					
Federal Funds					
General and special funds:					
Cooperative State Research Service 352	BA	**114,460**	**28,615**	**126,652** [A]**2,257** [D]**113**	**136,687**
	O	104,586	28,761	131,326 [A]597	138,946 [A]755
Trust Funds					
Miscellaneous contributed funds: Permanent, indefinite.....352	BA	.....	.....	**5**	**5**
	O	2	.....	5	5
Extension Service					
Federal Funds					
General and special funds:					
Extension Service.....352	BA	**228,935**	**57,453**	**240,208** [A]**911** [D]**287**	**242,471**
	O	219,407	56,973	240,035 [A]820	240,592 [A]91

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DEPARTMENT OF AGRICULTURE—Continued					
SCIENCE AND EDUCATION PROGRAMS—Con.					
Extension Service—Continued					
Federal Funds—Continued					
Intragovernmental funds:					
Consolidated working fund 352	0	−1,901	−1,734	−200	2,411
Total Federal funds Extension Service.	BA	**228,935**	**57,453**	**241,406**	**242,471**
	0	217,506	55,239	240,655	243,094
National Agricultural Library					
Federal Funds					
General and special funds:					
National Agricultural Library.....352	BA	**5,539**	**1,397**	**6,026**	**6,880**
				[D]**167**	
	0	5,372	1,192	6,541	6,970
Library facilities 352	0	.....	.....	42	.....
Total Federal funds National Agricultural Library.	BA	**5,539**	**1,397**	**6,193**	**6,880**
	0	5,372	1,192	6,583	6,970
Total Federal funds Science and Education Programs.	BA	**1,017,102**	**258,447**	**1,084,176**	**1,144,576**
	0	948,910	250,760	1,131,294	1,146,369
Total trust funds Science and Education Programs.	BA	**2,452**	**761**	**3,240**	**3,480**
	0	2,442	530	3,219	3,474
AGRICULTURAL ECONOMICS					
Economic Management Support Center					
Federal Funds					
General and special funds:					
Salaries and expenses 352	BA	.....	.....	**2,802**	**3,006**
				[C]**4**	
				[D]**117**	
	0	.....	.....	2,766	2,860
Statistical Reporting Service					
Federal Funds					
General and special funds:					
Statistical Reporting Service.....352	BA	**31,415**	**7,936**	**34,019**	**37,508**
				[A]**627**	
				[D]**1,284**	
	0	31,827	6,926	35,058	37,263
				[A]627	
Trust Funds					
Miscellaneous contributed funds:	BA	**22**	**12**	.....	.....
Permanent, indefinite.....352	0	23	21	.....	.....
Economic Research Service					
Federal Funds					
General and special funds:					
Economic Research Service.....352	BA	**25,782**	**6,517**	**26,080**	**29,405**
				[A]**720**	
				[D]**1,194**	
	0	24,638	6,280	27,274	29,405
				[A]720	
Intragovernmental funds:					
Consolidated working fund 151	0	1,830	−2,828	2,000	2,000
Total Federal funds Economic Research Service.	BA	**25,782**	**6,517**	**27,994**	**29,405**
	0	26,468	3,452	29,994	31,405

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DEPARTMENT OF AGRICULTURE—Continued					
AGRICULTURAL ECONOMICS—Continued					
Economic Research Service—Continued					
Trust Funds					
Miscellaneous contributed funds:	BA	**4**	**8**	**15**	**15**
Permanent, indefinite.....352	0	213	3	15	15
Total Federal funds Agricultural Economics.	BA	**57,197**	**14,453**	**66,847**	**69,919**
	0	58,295	10,378	68,445	71,528
Total trust funds Agricultural Economics.	BA	**26**	**20**	**15**	**15**
	0	236	24	15	15
MARKETING SERVICES					
Packers and Stockyards Administration					
Federal Funds					
General and special funds:					
Packers and Stockyards Administration.....352	BA	**5,171**	**1,321**	**5,226** **[1]619** **[2]234**	**6,152**
	0	5,164	1,199	5,460 [1]619	6,005
Farmer Cooperative Service					
Federal Funds					
General and special funds:					
Farmer Cooperative Service.....352	BA	**2,559**	**647**	**2,589** **[2]135**	**2,920**
	0	2,764	531	2,710	2,906
Trust Funds					
Miscellaneous contributed funds:	BA	**54**	**11**	**50**	**65**
Permanent, indefinite.....352	0	61	11	72	63
Total Federal funds Marketing Services.	BA	**7,730**	**1,968**	**8,803**	**9,072**
	0	7,928	1,730	8,789	8,911
Total trust funds Marketing Services.	BA	**54**	**11**	**50**	**65**
	0	61	11	72	63
INTERNATIONAL PROGRAMS					
Foreign Agricultural Service					
Federal Funds					
General and special funds:					
Foreign Agricultural Service.....352	BA	**37,071**	**9,283**	**39,099** **[2]851**	**43,040**
	0	33,431	11,393	41,238	44,328
Salaries and expenses (special foreign currency program).....352	0	428	101	500	500
Total Federal funds Foreign Agricultural Service.	BA	**37,071**	**9,283**	**39,950**	**43,040**
	0	33,859	11,494	41,738	44,828
Foreign Assistance Programs					
Federal Funds					
General and special funds:					
Expenses, Public Law 480, foreign assistance programs, Agriculture 151	BA	**1,089,917**	**146,220**	**1,169,255**	**[K]922,885**
	0	691,125	420,944	1,088,997	1,092,160

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

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DEPARTMENT OF AGRICULTURE—Continued					
INTERNATIONAL PROGRAMS—Continued					
Foreign Assistance Programs—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Increase (–) or decrease in amount owed by general fund to Commodity Credit Corporation..351	0	398,792	–274,724	80,258	–169,275
Total Federal funds Foreign Assistance Programs.	BA	**1,089,917**	**146,220**	**1,169,255**	**922,885**
	0	1,089,917	146,220	1,169,255	922,885
Total Federal funds International Programs.	BA	**1,126,988**	**155,503**	**1,209,205**	**965,925**
	0	1,123,776	157,714	1,210,993	967,713
AGRICULTURAL STABILIZATION AND CONSERVATION					
Agricultural Stabilization and Conservation Service					
Federal Funds					
General and special funds:					
Salaries and expenses.....351	BA	**151,054**	**37,762**	**157,280**	**160,407**
	0	147,994	35,503	153,790	156,811
Sugar Act program.....351	0	10,271	986	13	.....
Agricultural conservation program 302	BA				[1]**90,000**
Contract authority.....	BA	**190,000**	.....	**190,000**	.....
Liquidation of contract authority....		(190,000)	(85,000)	(105,000)	(190,000)
	0	117,536	121,196	137,000	196,500
					[1]22,500
Water Bank Act program.....302	BA	**10,000**	**2,500**	**10,000**	.....
	0	2,537	2,183	4,327	6,677
Cropland adjustment program.....351	BA	**42,000**	**21,000**	.....	.....
	0	37,351	11	20,857	.....
Conservation reserve program.....351	0	–1	.....	.....	.....
Emergency conservation measures 453	BA	**10,000**	**2,500**	**10,000**	**10,000**
	0	11,242	3,399	15,000	15,000
Dairy and beekeeper indemnity program.....351	BA	**6,650**	**1,000**	**4,050**	**4,050**
	0	3,717	424	4,050	4,050
Cropland conversion program.....351	0	112	.....	.....	.....
Forestry incentives program.....302	BA	**15,000**	**3,750**	**15,000**	.....
	0	8,118	1,729	17,170	15,408
Intragovernmental funds:					
Consolidated working fund.....302	0	114	.....	.....	.....
Total Federal funds Agricultural Stabilization and Conservation Service.	BA	**424,704**	**68,512**	**386,330**	**264,457**
	0	338,991	165,431	352,207	416,946
CORPORATIONS					
Federal Crop Insurance Corporation					
Federal Funds					
General and special funds:					
Administrative and operating expenses.....351	BA	**12,000**	**3,110**	**11,976**	**12,000**
				[2]24	
	0	11,762	3,504	12,000	12,000

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DEPARTMENT OF AGRICULTURE—Continued					
CORPORATIONS—Continued					
Federal Crop Insurance Corporation—Con.					
Federal Funds—Continued					
Public enterprise funds:					
Federal Crop Insurance Corporation fund.....351	BA	.....	.....	**30,000**	.....
				[A]**10,000**	
	O	3,528	1,781	61,529	6,655
Limitation on administrative and operating expenses.		(8,184)	(1,793)	(8,006)	(11,088)
				[A](750)	
				[D](628)	
Total Federal funds Federal Crop Insurance Corporation.	BA	**12,000**	**3,110**	**52,000**	**12,000**
	O	15,290	5,285	73,529	18,655
Commodity Credit Corporation					
SUPPORT AND RELATED ACTIVITIES					
Federal Funds					
Public enterprise funds:					
Price support and related programs:	BA	**2,750,000**	.....	**189,053**	**1,234,342**
Reimbursement for net realized losses.....351	O	1,014,386	451,868	1,820,243	863,527
Limitation on administrative expenses.		(39,400)	(9,850)	(41,220)	(39,800)
SPECIAL ACTIVITIES					
Federal Funds					
General and special funds:					
National Wool Act (special fund):	BA	**27,250**	.....	**47,275**	**12,483**
Permanent, indefinite.....351	O	45,460	1,815	12,483	3,299
Intragovernmental funds:					
(Game bird protection).....351	O	–20	20	.....	.....
(Conservation loans).....302	O	50,000	–50,000	50,000	–50,000
(Purchase of commodities for donations).....351	O	3,871	6,867	1,500	.....
Increase or decrease (–) in amount owed to the Corporation by Public Law 480 general fund for foreign assistance programs.....351	O	–398,792	274,724	–80,258	169,275
Total Federal funds, Special Activities.	BA	**27,250**	.....	**47,275**	**12,483**
	O	–299,481	233,426	–16,275	122,574
Total Federal funds Commodity Credit Corporation.	BA	**2,777,250**	.....	**236,328**	**1,246,825**
	O	714,905	685,294	1,803,968	986,101
Total Federal funds Corporations.	BA	**2,789,250**	**3,110**	**288,328**	**1,258,825**
	O	730,195	690,579	1,877,497	1,004,756
RURAL DEVELOPMENT					
Rural Development Service					
Federal Funds					
General and special funds:					
Rural Development Service.....452	BA	**1,341**	**366**	**1,433**	**1,663**
				[D]**42**	
	O	1,076	252	1,399	1,579

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DEPARTMENT OF AGRICULTURE—Continued					
RURAL DEVELOPMENT—Continued					
Rural Electrification Administration					
Federal Funds					
General and special funds:					
Salaries and expenses.....305	BA	**20,713**	**5,432**	**21,350**	**22,567**
				[D]949	
	O	21,176	4,856	22,620	22,620
Farmers Home Administration					
Federal Funds					
General and special funds:					
Rural water and waste disposal grants.....451	BA	**250,000**	**37,500**	**200,000**	**50,000**
	O	75,264	24,148	163,037	198,814
Rural development grants.....452	BA	**11,875**	**2,969**	**10,000**	.....
	O	7,362	2,586	10,650	11,000
Rural housing for domestic farm labor.....401	BA	**7,500**	**1,875**	**7,500**	.....
	O	2,635	1,183	5,040	10,256
Mutual and self-help housing.....401	BA	**9,000**	**2,250**	**9,000**	.....
	O	3,449	856	5,464	7,917
Salaries and expenses.....452	BA	**155,102**	**40,791**	**170,000**	**181,684**
				[C]9	
				[D]5,827	
	O	148,463	37,383	180,262	180,315
Rural community fire protection grants.....452	BA	**3,500**	**875**	**3,500**	.....
	O	3,585	824	5,251	.....
Very low-income housing repair grants.....604	BA	.....	.....	**5,000**	.....
	O	.....	.....	4,900	100
Public enterprise funds:					
Self-help housing land development fund.....401	O	−170	−71	800	−205
Rural housing insurance fund.....401	BA	**122,000**	.....	**175,429**	**327,402**
Permanent, indefinite	BA	.....	**1,161**	**188**	**447**
	O	1,458	514,010	−440,678	396,821
Agricultural credit insurance fund 351	BA	**169,214**	.....	**141,189**	**164,735**
	O	295,779	−159,027	−313,627	141,846
Rural development insurance fund 452	BA	**25,214**	.....	**47,484**	**75,547**
Authority to spend public debt receipts, Permanent, indefinite.	BA	**120,556**	**90,702**	**126,301**	**93,547**
	O	82,008	−455	50,691	109,100
Community Services loan fund.....452	O	−4,497	2,226	−1,000	−540
Total Federal funds Farmers Home Administration.	BA	**873,961**	**178,123**	**901,427**	**893,362**
	O	615,336	423,663	−329,210	1,055,424
Total Federal funds Rural Development.	BA	**896,015**	**183,921**	**925,201**	**917,592**
	O	637,588	428,771	−305,191	1,079,623
ENVIRONMENTAL PROGRAMS					
Soil Conservation Service					
Federal Funds					
General and special funds:					
Conservation operations.....302	BA	**206,807**	**51,521**	**214,423**	**229,060**
				[D]8,721	
	O	207,483	57,069	220,527	226,792

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DEPARTMENT OF AGRICULTURE—Continued					
ENVIRONMENTAL PROGRAMS—Continued					
Soil Conservation Service—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
River basin surveys and investigations.....301	BA	**14,745**	**3,687**	**14,745**	**15,006**
				[p]**617**	
	O	15,975	3,767	16,946	14,990
Watershed planning 301	BA	**11,196**	**2,799**	**11,196**	**10,647**
				[p]**455**	
	O	12,101	2,668	12,294	10,791
Watershed and flood prevention operations 301	BA	**211,745**	**38,408**	**158,199**	**138,992**
				[p]**1,840**	
	O	156,660	47,712	230,617	158,095
Great plains conservation program 302	BA	**22,379**	**5,951**	**21,379**	**5,499**
				[p]**260**	
	O	18,779	6,144	20,702	18,338
Resource conservation and development.....302	BA	**29,972**	**7,493**	**29,972**	**23,283**
				[p]**707**	
	O	26,997	8,502	31,407	27,304
Total Federal funds Soil Conservation Service.	BA	**496,844**	**109,859**	**462,514**	**422,487**
	O	437,995	125,862	532,493	456,310
Trust Funds					
Miscellaneous contributed funds:					
(Water resources and power): Permanent, indefinite 301	BA	**1,139**	**337**	**924**	**937**
	O	628	195	989	1,124
(Conservation and land management): Permanent, indefinite.....302	BA	**311**	**132**	**276**	**275**
	O	131	50	264	284
Total, Miscellaneous contributed funds.	BA	**1,450**	**469**	**1,200**	**1,212**
	O	759	245	1,253	1,408
Total trust funds Soil Conservation Service.	BA	**1,450**	**469**	**1,200**	**1,212**
	O	759	245	1,253	1,408
Total Federal funds Environmental Programs.	BA	**496,844**	**109,859**	**462,514**	**422,487**
	O	437,995	125,862	532,493	456,310
Total trust funds Environmental Programs.	BA	**1,450**	**469**	**1,200**	**1,212**
	O	759	245	1,253	1,408
CONSUMER PROGRAMS					
Agricultural Marketing Service					
Federal Funds					
General and special funds:					
Marketing services 352	BA	**47,111**	**12,913**	**45,124**	**50,927**
				[p]**1,703**	
	O	43,240	9,922	46,609	50,709
Payments to States and possessions 352	BA	**1,600**	**400**	**1,600**	.....
	O	–1	200	1,625	.....
Funds for strengthening markets, income, and supply (section 32): Permanent, indefinite 604	BA	**238,155**	**164,507**	**83,747**	.....
	O	286,433	63,909	38,945	.....

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DEPARTMENT OF AGRICULTURE—Continued					
CONSUMER PROGRAMS—Continued					
Agricultural Marketing Service—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Perishable Agricultural Commodities Act fund: Permanent, indefinite 352	BA	**1,675**	**443**	**1,605**	**1,570**
	0	1,693	359	1,777	2,063
Total Federal funds Agricultural Marketing Service.	BA	**288,541**	**178,263**	**133,779**	**52,497**
	0	331,365	74,390	88,956	52,772
Trust Funds					
Agricultural Marketing Service: Permanent, indefinite.....352	BA	**43,941**	**11,614**	**44,537**	**44,273**
	0	43,064	8,841	44,537	44,273
Milk market orders assessment fund 351	0	−1,511	−950	.....	.....
Total trust funds Agricultural Marketing Service.	BA	**43,941**	**11,614**	**44,537**	**44,273**
	0	41,553	7,891	44,537	44,273
Food and Nutrition Service					
Federal Funds					
General and special funds:					
Food program administration.....604	BA	.....	.....	.....	[K]**64,451** [J]**−6,491**
	0	.....	.....	.....	63,747 [J]−3,946
Food stamp program.....604	BA	**5,196,365**	**1,237,441**	**4,786,468** [F]**−299**	[K]**5,627,000** [J]**−882,000**
	0	5,631,954	1,325,159	4,754,184	5,593,800 [J]−882,000
Special milk program.....604	BA	**144,000**	**25,500**	**155,000**	**34,900** [J]**−34,900**
	0	88,710	46,993	181,159	49,810 [J]−31,521
Child nutrition programs.....604	BA	**1,153,072**	**418,000**	**1,792,032**	**1,037,282** [J]**−2,356,282**
Permanent.....	BA	**737,111**	**20,000**	**1,039,000**	**1,319,000**
	0	1,801,566	346,012	2,842,204	2,879,207 [J]−2,725,991
Special supplemental food program (WIC).....604	BA	**106,000**	.....	**250,000**	**247,000** [J]**−247,000**
Appropriation, Permanent.....	BA	**144,000**	**96,180**	.....	.....
	0	142,546	41,483	275,850	297,140 [J]−250,156
Food donations program.....604	BA	**17,839**	**4,460**	**23,166** [A]**3,943**	[K]**9,620**
	0	7,776	446	22,702 [A]3,808	9,995 [A]135
Elderly feeding program.....604	BA	.....	.....	**22,000**	[K]**30,000**
	0	.....	.....	20,700	28,240

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DEPARTMENT OF AGRICULTURE—Continued					
CONSUMER PROGRAMS—Continued					
Food and Nutrition Service—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Child nutrition reform 604	BA				[J]1,857,275
	O				[J]2,000,000
Total Federal funds Food and Nutrition Service.	BA	**7,498,387**	**1,801,581**	**8,071,310**	**6,699,855**
	O	7,672,552	1,760,093	8,100,607	7,028,460
Total Federal funds Consumer Programs.	BA	**7,786,928**	**1,979,844**	**8,205,089**	**6,752,352**
	O	8,003,917	1,834,483	8,189,563	7,081,232
Total trust funds Consumer Programs.	BA	**43,941**	**11,614**	**44,537**	**44,273**
	O	41,553	7,891	44,537	44,273
FOREST PROTECTION AND MANAGEMENT					
Forest Service					
Federal Funds					
General and special funds:					
Forest protection and utilization...302	BA	**605,096**	**192,958**	**517,492** **[A]207,975** **[D]14,764**	**544,966**
	O	562,060	202,790	578,789 [A]187,975	537,309 [A]20,000
Construction and land acquisition 302	BA	**18,523**	**11,269**	**18,016** **[A]234** **[D]284**	**22,564**
	O	26,627	6,173	36,685 [A]234	19,800
Youth Conservation Corps.....302	BA	**35,098**	**56**	**30,000**	**16,200**
	O	17,389	17,940	34,000	18,384
Forest roads and trails.....302	BA	.....	.....	..... **[D]1,990**	**126,241**
Contract authority.....	BA	.....	.....	**−39,828**	.....
Liquidation of contract authority....		(112,857)	.....	(208,104)	(78,781)
	O	136,510	467	211,565	161,500
Forest roads.....302	BA	.....	.....	**173,000**	**212,115**
	O	.....	.....	17,300	77,000
Assistance to States for tree improvement 302	BA	**1,368**	**834**	**1,373** **[D]13**	**1,387**
	O	1,393	280	2,022	1,387
Other general appropriations.....302	O	2	13	280	.....
Acquisition of lands for national forests, special acts.....302	BA	**161**	.....	**160**	**165**
	O	135	−1	182	140
Acquisition of lands to complete land exchanges.....302	BA	**35**	.....	**54**	**38**
	O	39	11	94	38
Rangeland improvements.....302	BA	**700**	.....	**700**	**5,200**
	O	721	.....	700	4,700
Construction and operation of recreation facilities.....303	BA	**2,880**	**2,212**	**2,475**	**4,084**
	O	2,750	1,390	2,734	4,000
Forest Service permanent appropriations: Permanent, indefinite.....302	BA	**65,096**	**60,508**	**46,928**	**86,500**
	O	63,364	57,512	44,321	87,150

See footnotes at end of table.

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF AGRICULTURE—Continued					
FOREST PROTECTION AND MANAGEMENT—Continued					
Forest Service—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Forest Service permanent appropriations: Permanent, indefinite.....852	BA	**89,115**	**109,929**	**50,039**	**190,529**
	O	89,115	109,929	50,039	190,529
Intragovernmental funds:					
Working capital fund.....302	O	–2,542	–3,345	–886	–9,369
Consolidated working fund.....302	O	–4,073	7,825	13,833	.....
Total Federal funds Forest Service.	BA	**818,072**	**377,766**	**1,025,669**	**1,209,989**
	O	893,490	400,984	1,179,867	1,112,568
Trust Funds					
Cooperative work: Permanent, indefinite 302	BA	**74,017**	**24,880**	**78,600**	**94,500**
	O	114,245	16,346	11,400	75,000
Highland scenic highway.....404	O	.....	.....	2,600	8,100
Total trust funds Forest Service	BA	**74,017**	**24,880**	**78,600**	**94,500**
	O	114,245	16,346	14,000	83,100
Total Federal funds Forest Protection and Management.	BA	**818,072**	**377,766**	**1,025,669**	**1,209,989**
	O	893,490	400,984	1,179,867	1,112,568
Total trust funds Forest Protection and Management.	BA	**74,017**	**24,880**	**78,600**	**94,500**
	O	114,245	16,346	14,000	83,100
SUMMARY					
Federal funds:					
(As shown in detail above).....	BA	**15,472,298**	**3,166,375**	**13,733,393**	**13,083,096**
	O	13,228,956	4,073,020	14,316,049	13,412,719
Deductions for offsetting receipts:					
Proprietary receipts from the public.....300	BA, O	*–164,916*	*–176,181*	*–110,497*	*–237,455*
302	BA, O	*–310,581*	*–33,062*	*–447,476*	*–400,021*
350	BA, O	*7,447*	*1,088*	*–1,918*	*–2,591*
450	BA, O	*–1,272*	*–2,242*	*–25*	*–25*
600	BA, O	*–524*	*–169*	*–168*	*–168*
902	BA, O	*–155*	*–120*	*–145*	*–145*
Total Federal funds.....	BA	**15,002,297**	**2,955,689**	**13,173,164**	**12,442,691**
	O	12,758,955	3,862,334	13,755,820	12,772,314
Trust funds:					
(As shown in detail above).....	BA	**121,940**	**37,755**	**127,642**	**143,545**
	O	159,296	25,047	63,096	132,333
Deductions for offsetting receipts:					
Proprietary receipts from the public.....302	BA, O	*–74,017*	*–24,880*	*–78,600*	*–94,500*

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DEPARTMENT OF AGRICULTURE—Continued					
SUMMARY—Continued					
Trust funds:—Continued					
352	BA O	*−47,924*	*−12,875*	*−49,042*	*−49,045*
Total trust funds	BA	−1			
	O	37,355	−12,708	−64,546	−11,212
Total Department of Agriculture	BA	**15,002,296**	**2,955,689**	**13,173,164**	**12,442,691**
	O	12,796,310	3,849,626	13,691,274	12,761,102
DEPARTMENT OF COMMERCE					
GENERAL ADMINISTRATION					
Federal Funds					
General and special funds:					
Salaries and expenses.....403	BA	**13,283**	**3,324**	**21,158** [A]**100** [D]**956**	**22,844**
	O	13,043	3,235	21,870 [A]50	22,349 [A]50
Special foreign currency program.403	O	463	59	1,126	1,200
Participation in United States expositions.....403	BA	**530**			
	O	255	4	497	
Foreign Direct Investment Regulations: Salaries and expenses.....403	O	1			
Intragovernmental funds:					
Working capital fund.....403	O	69	280		
Consolidated working fund.....403	O	275	1,279	−1,408	
Total Federal funds General Administration.	BA	**13,813**	**3,324**	**22,214**	**22,844**
	O	14,106	4,857	22,135	23,599
Trust Funds					
Miscellaneous trust funds: Permanent, indefinite.....403	BA	**170**	**36**	**500**	**500**
	O	351	103	500	500
BUREAU OF THE CENSUS					
Federal Funds					
General and special funds:					
Salaries and expenses.....403	BA	**41,474**	**10,921**	**43,287** [A]**659** [C]**68** [D]**1,558**	**46,127**
	O	38,108	9,764	43,341 [A]627	45,353 [A]32
Periodic censuses and programs..403	BA	**33,853**	**9,942**	**47,400** [D]**1,448**	**71,266**
	O	26,220	4,355	51,363	66,935
Intragovernmental funds:					
Consolidated working fund.....403	O	4,900	1,761		
Total Federal funds Bureau of the Census.	BA	**75,327**	**20,863**	**94,420**	**117,393**
	O	69,228	15,880	95,331	112,320
Trust Funds					
Special studies, services, and projects: Permanent, indefinite.....403	BA	**5,597**	**1,520**	**5,171**	**4,448**
	O	5,581	1,806	4,771	4,048

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF COMMERCE—Continued					
BUREAU OF ECONOMIC ANALYSIS					
Federal Funds					
General and special funds:					
Salaries and expenses.....403	BA	**11,759**	**3,089**	**12,300** [A]**274** [D]**530**	**13,912**
	O	11,340	2,502	12,524 [A]267	13,436 [A]7
Intragovernmental funds:					
Consolidated working fund.....403	O	–106	595	.....	.....
Total Federal funds Bureau of Economic Analysis.	BA	**11,759**	**3,089**	**13,104**	**13,912**
	O	11,234	3,097	12,791	13,443
Trust Funds					
Special studies, services, and projects:	BA	**45**	**35**	**83**	**83**
Permanent, indefinite.....403	O	26	46	82	83
ECONOMIC DEVELOPMENT ASSISTANCE					
Economic Development Administration					
Federal Funds					
General and special funds:					
Economic development assistance programs.....452	BA	**360,000**	**89,625**	**360,000**	**212,000**
	O	257,591	81,792	283,108	274,400
Local public works program.....452	BA	.....	.....	**2,000,000**	[K]**3,121**
	O	.....	.....	800,000	802,995
Administration of economic development assistance programs 452	BA	**25,378**	**6,375**	**26,725** [D]**1,051**	**23,384**
	O	24,421	5,953	27,383	23,230
Financial and technical assistance 403	O	5,616	53	2,000	1,645
Job opportunities program.....504	BA	**374,000**	.....	.....	.....
	O	269,436	78,658	128,508	.....
Public enterprise funds:					
Economic development revolving fund.....452	O	–20,275	–10,058	–20,500	–21,500
Total Federal funds Economic Development Administration.	BA	**759,378**	**96,000**	**2,387,776**	**238,505**
	O	536,789	156,398	1,220,499	1,080,770
Regional Action Planning Commissions					
Federal Funds					
General and special funds:					
Regional development programs...452	BA	**64,068**	**15,760**	**63,500** [D]**92**	**41,710**
	O	62,559	13,699	59,203	61,223
Trust Funds					
Regional action planning commissions:	BA	**64,398**	**16,714**	**38,272**	**39,648**
Permanent, indefinite.....452	O	53,405	17,326	47,136	48,883
Total Federal funds Economic Development Assistance.	BA	**823,446**	**111,760**	**2,451,368**	**280,215**
	O	599,348	170,097	1,279,702	1,141,993
Total trust funds Economic Development Assistance.	BA	**64,398**	**16,714**	**38,272**	**39,648**
	O	53,405	17,326	47,136	48,883

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF COMMERCE—Continued					
PROMOTION OF INDUSTRY AND COMMERCE					
Domestic and International Business Administration					
Federal Funds					
General and special funds:					
Operations and administration.....403	BA	**62,617**	**15,816**	**57,524** **[D]2,259**	**[K]53,096**
	O	64,613	14,879	60,323	52,875
Trust Funds					
Miscellaneous trust funds: Permanent	BA	**4,664**	**1,090**	**5,100**	**5,300**
403	O	3,656	959	5,424	5,624
Minority Business Enterprise					
Federal Funds					
General and special funds:					
Minority business development.....403	BA	**49,850**	**12,463**	**50,000** **[D]431**	**50,337**
	O	55,839	14,472	55,342	55,439
United States Travel Service					
Federal Funds					
General and special funds:					
Salaries and expenses.....403	BA	**12,799**	**3,200**	**14,470** **[D]169** **[H]–525**	**14,199**
	O	11,457	3,428	14,155 [H]–525	14,467
Total Federal funds Promotion of Industry and Commerce.	BA	**125,266**	**31,479**	**124,328**	**117,632**
	O	131,909	32,779	129,295	122,781
Total trust funds Promotion of Industry and Commerce.	BA	**4,664**	**1,090**	**5,100**	**5,300**
	O	3,656	959	5,424	5,624
SCIENCE AND TECHNOLOGY					
National Oceanic and Atmospheric Administration					
Federal Funds					
General and special funds:					
Operations, research, and facilities 306	BA	**503,071**	**141,260**	**565,135** **[A]430** **[C]2,838** **[D]13,457** **[E]353** **[H]–1,500**	**[K]594,864**
Current, indefinite.....	BA	**2,406**	**400**	**1,080**	**1,080**
	O	501,877	127,046	571,464 [A]400 [H]–700	584,385 [A]30 [H]–800
Construction.....306	BA	**1,000**	.....	**970**	.....
	O	154	43	880	336
Coastal zone management.....302	BA	**18,032**	**4,511**	**18,050** **[A]17,329** **[D]50**	**44,888**
	O	12,630	4,563	13,747 [A]9,172	32,100 [A]6,165

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF COMMERCE—Continued					
SCIENCE AND TECHNOLOGY—Continued					
National Oceanic and Atmospheric Administration—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Promote and develop fishery products and research pertaining to American fisheries: Permanent, indefinite.....403	BA	**8,821**	**1,998**	**7,990**	**10,000**
	0	7,144	2,379	8,944	7,990
Public enterprise funds:					
Fisheries loan fund.....403	0	−869	−154	−319	−227
Offshore shrimp fisheries fund.....403	BA	**270**	.....	.....	.....
	0	149	−1	361	.....
Fishermen's guaranty fund.....403	BA	**61**	**15**	**61**	[K]**61**
	0	1,445	−200	180	61
Coastal energy impact fund.....452	BA	.....	.....	.....	**143,000**
				[A]**110,000**	
	0	.....	.....	.....	66,809
				[A]51,000	[A]13,191
Federal ship financing fund, fishing vessels.....403	0	−174	−40	.....	.....
Intragovernmental funds:					
Consolidated working fund.....306	0	−2,400	497	.....	.....
Total Federal funds National Oceanic and Atmospheric Administration.	BA	**533,661**	**148,184**	**736,243**	**793,893**
	0	519,956	134,133	655,129	710,040
Trust Funds					
Miscellaneous trust funds: Permanent, indefinite.....306	BA	**9,152**	**3,308**	**9,936**	**9,936**
	0	7,192	4,372	9,936	9,936
National Fire Prevention and Control Administration					
Federal Funds					
General and special funds:					
Operations, research, and administration.....451	BA	**8,718**	**2,279**	**12,239**	**13,859**
				[D]**207**	
	0	7,179	2,924	11,456	17,638
Facilities.....451	BA			[A]**5,000**	
	0			[A]3,000	[A]2,000
Total Federal funds National Fire Prevention and Control Administration.	BA	**8,718**	**2,279**	**17,446**	**13,859**
	0	7,179	2,924	14,456	19,638
Patent and Trademark Office					
Federal Funds					
General and special funds:					
Salaries and expenses.....403	BA	**85,350**	**21,544**	**86,400**	**89,590**
				[C]**90**	
				[D]**3,401**	
	0	84,155	19,885	89,517	89,619

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF COMMERCE—Continued					
SCIENCE AND TECHNOLOGY—Continued					
Science and Technical Research					
Federal Funds					
General and special funds:					
Scientific and technical research and services.....403	BA	**62,619**	**16,410**	**66,700** [c]**366** [d]**2,417**	**75,845**
	0	67,348	17,789	75,418	76,305
Intragovernmental funds:					
Working capital fund.....403	BA	**2,085**	**343**	**2,085**	**2,667**
	0	8,828	−6,803	1,500	2,000
Consolidated working fund.....403	0	−4,698	1,942	.....	.....
Total Federal funds Science and Technical Research.	BA	**64,704**	**16,753**	**71,568**	**78,512**
	0	71,478	12,928	76,918	78,305
Trust Funds					
Information products and services: Permanent, indefinite.....403	BA	**12,197**	**4,657**	**13,600**	**15,500**
	0	10,315	5,239	14,306	15,500
Total Federal funds Science and Technology.	BA	**692,433**	**188,760**	**915,148**	**975,854**
	0	682,768	169,870	836,020	897,602
Total trust funds Science and Technology.	BA	**21,349**	**7,965**	**23,536**	**25,436**
	0	17,507	9,611	24,242	25,436
OCEAN SHIPPING					
Maritime Administration					
Federal Funds					
General and special funds:					
Ship construction.....406	BA	**195,000**	**18,000**	.....	.....
	0	202,713	41,950	236,047	205,000
Operating-differential subsidies: 406 Contract authority, Permanent, indefinite.	BA	**277,693**	**75,944**	**361,286**	[k]**324,050**
Liquidation of contract authority....		(315,936)	(70,582)	(388,000)	(369,079)
	0	301,108	85,326	388,102	369,079
Research and development.....406	BA	**12,000**	**4,000**	**18,500**	[k]**18,325**
	0	22,408	4,156	18,500	22,160
Operations and training.....406	BA	**45,900**	**11,656**	**48,200** [c]**272** [d]**1,311**	[k]**53,006**
	0	44,345	11,173	50,490	50,730
Public enterprise funds:					
Federal ship financing fund.....406	0	−22,905	−4,770	−19,675	−20,695
Vessel operations revolving fund..406	0	42	97	−35	.....
War risk insurance revolving fund 406	0	−401	−94	−388	−380
Intragovernmental funds:					
Consolidated working fund.....406	0	249	23	−160	.....
Total Federal funds Maritime Administration.	BA	**530,593**	**109,600**	**429,569**	**395,381**
	0	547,559	137,861	672,881	625,894

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF COMMERCE—Continued					
OCEAN SHIPPING—Continued					
Maritime Administration—Continued					
Trust Funds					
Special studies, services and projects:	BA	**14**	**81**	**562**	**420**
Permanent, indefinite.....406	O	19	13	545	420
Total Federal funds Ocean Shipping.	BA	**530,593**	**109,600**	**429,569**	**395,381**
	O	547,559	137,861	672,881	625,894
Total trust funds Ocean Shipping.	BA	**14**	**81**	**562**	**420**
	O	19	13	545	420
SUMMARY					
Federal funds:					
(As shown in detail above).....	BA	**2,272,637**	**468,875**	**4,050,151**	**1,923,231**
	O	2,056,152	534,441	3,048,155	2,937,632
Deductions for offsetting receipts:					
Proprietary receipts from the public.....300	BA, O	*–2,156*	*–698*	*–6,193*	*–6,193*
400	BA, O	*–17,038*	*–1,968*	*–8,594*	*–6,605*
450	BA, O	*–16*	*–5*	*–2,000*	*–2,000*
902	BA, O	*–1,361*	*–276*	*–1,538*	*–1,444*
Total Federal funds.....	BA	**2,252,066**	**465,928**	**4,031,826**	**1,906,989**
	O	2,035,581	531,494	3,029,830	2,921,390
Trust funds:					
(As shown in detail above).....	BA	**96,237**	**27,441**	**73,224**	**75,835**
	O	80,545	29,864	82,700	84,994
Deductions for offsetting receipts:					
Intrafund transactions.....403	BA, O	*–915*	*–305*	*–929*	*–834*
Proprietary receipts from the public.....306	BA, O	*–9,152*	*–3,308*	*–9,936*	*–9,936*
403	BA, O	*–21,642*	*–6,998*	*–18,955*	*–19,827*
406	BA, O	*–14*	*–81*	*–562*	*–420*
452	BA, O	*–1,397*	*–387*	*–1,608*	*–1,681*
Total trust funds.....	BA	**63,117**	**16,362**	**41,234**	**43,137**
	O	47,425	18,785	50,710	52,296
Interfund transactions.....403	BA, O	.....	.....	**–4,100**	**–4,700**
452	BA, O	**–63,001**	**–16,327**	**–36,664**	**–37,967**
Total Department of Commerce.	BA	**2,252,182**	**465,963**	**4,032,296**	**1,907,459**
	O	2,020,005	533,952	3,039,776	2,931,019

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF DEFENSE—MILITARY					
MILITARY PERSONNEL					
Federal Funds					
General and special funds:					
Military personnel, Army.....051	BA	**8,434,885**	**2,152,890**	**8,564,011**	**8,792,000**
				[E] **305,989**	
	O	8,325,558	2,127,816	8,881,000	8,717,000
Military personnel, Navy.....051	BA	**5,900,600**	**1,516,668**	**6,002,268**	**6,186,000**
				[E] **154,732**	
	O	5,830,737	1,447,049	6,182,000	6,171,000
Military personnel, Marine Corps..051	BA	**1,861,277**	**476,817**	**1,854,334**	**1,923,000**
				[E] **55,166**	
	O	1,805,217	450,903	1,945,000	1,916,000
Military personnel, Air Force.....051	BA	**7,405,306**	**1,854,312**	**7,136,706**	**7,241,000**
				[E] **226,894**	
	O	7,297,546	1,820,714	7,296,000	7,180,000
Reserve personnel, Army.....051	BA	**478,800**	**163,500**	**469,919**	**553,600**
				[E] **14,681**	
	O	475,471	140,087	458,000	529,000
Reserve personnel, Navy.....051	BA	**205,925**	**61,865**	**215,010**	**231,600**
				[E] **5,790**	
	O	193,231	52,644	225,000	230,000
Reserve personnel, Marine Corps..051	BA	**71,652**	**28,882**	**78,173**	**78,700**
	O	70,082	20,594	88,000	79,000
Reserve personnel, Air Force.....051	BA	**159,597**	**50,339**	**163,807**	**171,400**
				[E] **5,393**	
	O	143,191	43,506	173,000	172,000
National Guard personnel, Army...051	BA	**693,100**	**216,000**	**714,665**	**783,600**
				[E] **15,235**	
	O	714,128	193,534	742,000	780,000
National Guard personnel, Air Force 051	BA	**218,472**	**63,651**	**219,515**	**231,800**
				[E] **7,985**	
	O	208,357	61,470	222,000	231,000
Total Federal funds Military Personnel.	BA	**25,429,614**	**6,584,924**	**26,210,273**	**26,192,700**
	O	25,063,518	6,358,317	26,212,000	26,005,000
RETIRED MILITARY PERSONNEL					
Federal Funds					
General and special funds:					
Retired pay, Defense.....051	BA	**7,325,600**	**1,942,700**	**8,381,700**	**9,036,000**
				[H] **−143,600**	
	O	7,295,679	1,947,333	8,234,000	9,035,000
OPERATION AND MAINTENANCE					
Federal Funds					
General and special funds:					
Operation and maintenance, Army 051	BA	**7,276,850**	**1,871,400**	**7,897,003**	**8,375,800**
				[A] **24,900**	
				[C] **127,601**	
				[D] **87,729**	
	O	6,968,545	1,973,497	7,760,500	8,211,600
				[A] 20,500	[A] 4,400

See footnotes at end of table.

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF DEFENSE—MILITARY—Continued					
OPERATION AND MAINTENANCE—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Operation and Maintenance, Navy 051	BA	**8,299,800**	**2,207,557**	**9,564,475** **[A]24,700** **[C]48,400** **[D]59,000**	**10,799,000**
	O	7,947,893	1,963,309	8,999,600 [A]18,400	10,409,700 [A]6,300
Operation and maintenance, Marine Corps 051	BA	**519,010**	**131,006**	**577,888** **[A]5,000** **[C]14,800** **[D]5,000**	**636,200**
	O	492,526	142,359	582,800 [A]4,200	630,200 [A]800
Operation and maintenance, Air Force 051	BA	**7,669,479**	**1,957,295**	**8,105,795** **[A]39,500** **[C]65,200** **[D]67,900**	**8,595,500**
	O	7,593,623	1,891,302	8,229,800 [A]35,200	8,498,700 [A]4,300
Operation and maintenance, Defense agencies 051	BA	**2,550,931**	**655,325**	**2,722,153** **[A]1,800** **[C]12,700** **[D]84,800**	**2,985,400**
	O	2,513,471	613,912	2,810,400 [A]1,600	2,969,800 [A]200
Operation and maintenance, Army Reserve 051	BA	**323,510**	**95,100**	**356,100** **[A]1,900** **[C]2,958** **[D]6,731**	**389,000**
	O	299,599	82,705	372,300 [A]1,700	382,800 [A]200
Operation and maintenance, Navy Reserve 051	BA	**287,725**	**74,350**	**288,000** **[A]800** **[C]900** **[D]1,000**	**311,900**
	O	260,393	71,122	278,400 [A]600	312,800 [A]200
Operation and maintenance, Marine Corps Reserve 051	BA	**12,031**	**3,409**	**14,800** **[A]300** **[D]35**	**16,900**
	O	11,206	3,883	13,800 [A]200	16,900 [A]100
Operation and maintenance, Air Force Reserve 051	BA	**331,630**	**85,190**	**350,700** **[C]4,425** **[D]3,900**	**377,600**
	O	311,505	82,950	373,000	377,000
Operation and maintenance, Army National Guard 051	BA	**670,730**	**182,685**	**706,200** **[C]9,211** **[D]11,555**	**759,500**
	O	657,419	200,941	704,000	756,000
Operation and maintenance, Air National Guard 051	BA	**713,500**	**188,800**	**774,600** **[C]9,400** **[D]8,600**	**832,100**
	O	707,614	187,240	779,000	827,000

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF DEFENSE—MILITARY—Continued					
OPERATION AND MAINTENANCE—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
National Board for the Promotion of Rifle Practice, Army.....051	BA	**239**	**95**	**291** ^{D}9	**365**
	O	201	109	350	380
Naval petroleum reserve.....051	BA	**117,700**	**47,500**	.....	.....
	O	64,949	28,537	65,000	42,000
Claims, Defense.....051	BA	**71,600**	**15,500**	**82,500**	**82,500**
	O	70,443	17,197	91,000	82,000
Contingencies, Defense.....051	BA	**2,500**	**725**	**2,500**	**5,000**
	O	1,032	1,417	2,200	3,900
Court of Military Appeals, Defense 051	BA	**1,167**	**296**	**1,239** ^{D}47	**1,735**
	O	1,039	300	1,450	1,720
Restoration of Facilities on Guam, Defense.....051	BA	.....	**122,033**	.....	.....
Miscellaneous expired accounts....051	O	130	.....	.....	.....
Total Federal funds Operation and Maintenance.	BA	**28,848,402**	**7,638,266**	**32,175,045**	**34,168,500**
	O	27,901,588	7,260,780	31,146,000	33,539,000
PROCUREMENT					
Federal Funds					
General and special funds:					
Aircraft procurement, Army.....051	BA	**327,700**	**59,400**	**541,900**	^{K}**665,300**
	O	135,623	26,470	231,000	426,000
Missile procurement, Army.....051	BA	**412,800**	**42,600**	**481,000**	^{K}**656,700**
	O	159,384	–92,673	391,000	543,000
Procurement of weapons and tracked combat vehicles, Army.....051	BA	**874,000**	**255,000**	**1,089,800**	^{K}**1,798,900**
	O	55,041	91,079	597,000	1,051,000
Procurement of ammunition, Army 051	BA	**469,200**	**252,800**	**902,900**	^{K}**1,463,300**
	O	479,145	530	773,000	1,024,000
Other procurement, Army.....051	BA	**888,300**	**197,700**	**1,383,000**	**1,757,500**
	O	516,503	191,431	619,000	1,160,000
Aircraft procurement, Navy.....051	BA	**2,972,800**	**585,500**	**2,843,500**	^{K}**3,700,000**
	O	2,761,353	652,548	2,975,000	2,780,000
Weapons procurement, Navy.....051	BA	**1,172,600**	**321,700**	**2,022,200**	^{K}**2,319,400**
	O	641,414	186,449	900,000	1,409,000
Shipbuilding and conversion, Navy 051	BA	**3,853,000**	**471,200**	**6,195,000** ^{H}**–721,000**	^{K}**6,493,200**
	O	2,606,141	660,591	3,034,000 ^{H}–51,000	3,882,000 ^{H}–132,000
Other procurement, Navy.....051	BA	**1,833,700**	**466,000**	**2,179,800**	**2,405,500**
	O	1,454,656	347,134	1,678,000	1,990,000
Procurement, Marine Corps.....051	BA	**281,000**	**40,400**	**319,800**	^{K}**460,000**
	O	186,344	30,803	222,000	305,000
Aircraft procurement, Air Force.....051	BA	**3,933,700**	**818,400**	**6,087,000**	^{K}**8,651,900**
	O	3,323,130	858,639	3,515,000	4,897,000
Missile procurement, Air Force.....051	BA	**1,734,900**	**233,000**	**1,827,700**	^{K}**1,909,100**
	O	1,548,953	346,438	1,642,000	1,810,000

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DEPARTMENT OF DEFENSE—MILITARY—Continued					
PROCUREMENT—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Other procurement, Air Force.....051	BA	**2,035,400**	**353,000**	**2,289,400** [H]**−14,350**	**2,504,600**
	O	1,608,325	425,391	1,876,000	2,258,000
Procurement, Defense agencies....051	BA	**201,600**	**38,100**	**244,700**	**357,500**
	O	98,410	42,556	168,000	302,000
Procurement of aircraft and missiles, Navy.....051	O	381,665	48,597	102,000	67,000
Procurement of equipment and missiles, Army.....051	O	7,762	−49,565	38,000	14,000
Total Federal funds Procurement.	BA	**20,990,700**	**4,134,800**	**27,672,350**	**35,142,900**
	O	15,963,849	3,766,418	18,710,000	23,786,000
RESEARCH, DEVELOPMENT, TEST, AND EVALUATION					
Federal Funds					
General and special funds:					
Research, development, test, and evaluation, Army.....051	BA	**1,958,008**	**507,658**	**2,280,816** [C]**1,528** [D]**12,876**	[K]**2,615,700**
	O	1,841,612	436,708	2,213,000	2,471,000
Research, development, test, and evaluation, Navy.....051	BA	**3,257,290**	**842,422**	**3,722,792** [C]**2,100** [D]**5,500**	[K]**4,209,100**
	O	3,214,937	778,418	3,566,000	3,992,000
Research, development, test, and evaluation, Air Force.....051	BA	**3,606,556**	**903,940**	**3,749,530** [C]**3,286** [D]**16,024**	[K]**4,356,800**
	O	3,338,020	829,809	3,579,000	4,129,000
Research, development, test, and evaluation, Defense agencies...051	BA	**604,400**	**146,550**	**651,280** [C]**39** [D]**2,353**	[K]**772,900**
	O	507,537	152,179	607,000	730,000
Director of test and evaluation, Defense.....051	BA	**25,000**	**5,000**	**30,000**	[K]**25,000**
	O	20,917	8,567	28,000	28,000
Total Federal funds Research, Development, Test, and Evaluation.	BA	**9,451,254**	**2,405,570**	**10,478,124**	**11,979,500**
	O	8,923,023	2,205,681	9,993,000	11,350,000
MILITARY CONSTRUCTION					
Federal Funds					
General and special funds:					
Military construction, Army.....051	BA	**790,025**	**37,100**	**580,868**	[K]**472,700**
	O	812,815	60,299	834,000	669,000
Military construction, Navy.....051	BA	**770,018**	**17,200**	**549,935**	[K]**416,000**
	O	650,044	161,638	597,000	570,000
Military construction, Air Force.....051	BA	**550,644**	**14,000**	**788,079**	[K]**277,100**
	O	366,275	105,448	441,000	580,000
Military construction, Defense agencies.....051	BA	**19,300**	**1,000**	**41,396**	[K]**34,400**
	O	15,910	4,238	19,000	30,000
Military construction, Army National Guard.....051	BA	**62,700**	**1,500**	**61,128**	[K]**49,400**
	O	54,528	8,980	62,000	65,000

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF DEFENSE—MILITARY—Continued					
MILITARY CONSTRUCTION—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Military construction, Air National Guard 051	BA	**63,000**	**1,000**	**37,200**	[K]**43,300**
	O	35,057	11,629	48,000	39,000
Military construction, Army Reserve 051	BA	**50,300**	**2,500**	**53,804**	[K]**50,500**
	O	47,212	13,754	40,000	50,000
Military construction, Naval Reserve 051	BA	**36,400**	**400**	**23,600**	[K]**21,700**
	O	24,465	7,481	30,000	27,000
Military construction, Air Force Reserve 051	BA	**18,000**	**1,000**	**10,773**	[K]**11,200**
	O	12,322	2,744	16,000	16,000
Total Federal funds Military Construction.	BA	**2,360,387**	**75,700**	**2,146,783**	**1,376,300**
	O	2,018,628	376,211	2,087,000	2,046,000
FAMILY HOUSING					
Federal Funds					
General and special funds:					
Family housing, Defense 051	BA	**1,228,787**	**278,379**	**1,191,976** [C]**3,989** [D]**1,523**	[K]**1,326,300**
	O	1,189,415	295,806	1,436,000	1,513,000
Public enterprise funds:					
Homeowners assistance fund, Defense 051	BA	.....	.....	.....	[K]**3,000**
	O	2,357	148	6,000	5,000
Total Federal funds Family Housing.	BA	**1,228,787**	**278,379**	**1,197,488**	**1,329,300**
	O	1,191,772	295,954	1,442,000	1,518,000
CIVIL DEFENSE					
Federal Funds					
General and special funds:					
Operation and maintenance, Defense Civil Preparedness Agency 051	BA	**65,578**	**14,491**	**65,000** [D]**826**	[K]**69,300**
	O	64,330	13,452	65,000	71,000
Research, shelter survey, and marketing 051	BA	**20,000**	**5,000**	**17,500** [D]**128**	[K]**20,700**
	O	15,504	4,169	14,000	21,000
Total Federal funds Civil Defense.	BA	**85,578**	**19,491**	**83,454**	**90,000**
	O	79,834	17,621	79,000	92,000
SPECIAL FOREIGN CURRENCY PROGRAM					
Federal Funds					
General and special funds:					
Special foreign currency program 051	BA	**2,668**	**37**	**3,665**	[K]**2,480**
	O	4,761	912	3,000	3,000
REVOLVING AND MANAGEMENT FUNDS					
Federal Funds					
Public enterprise funds:					
Defense production guarantees 051	O	−368	−114	600	300
Laundry service, Naval Academy 051	O	−37	55	.....	.....
Intragovernmental funds:					
Army stock fund 051	BA	**20,000**	.....	**100,000**	**100,000**
	O	−81,637	−114,379	81,900	152,500

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF DEFENSE—MILITARY—Continued					
REVOLVING AND MANAGEMENT FUNDS—Con.					
Federal Funds—Continued					
Intragovernmental funds:—Continued					
Navy stock fund 051	BA	**10,000**	.....	**32,000**	**30,000**
	0	85,467	19,737	48,500	70,500
Marine Corps stock fund.....051	BA	**2,000**	.....	**6,200**	**1,900**
	0	−1,866	−11,790	6,700	5,500
Air Force stock fund.....051	BA	**15,000**	.....	**58,800**	**34,600**
	0	51,617	−15,537	31,400	−70,200
Defense stock fund 051	BA	**88,000**	.....	**22,800**	**4,300**
	0	−138,720	−121,049	−3,500	−12,600
Army industrial fund 051	0	29,966	−39,563	26,000	−37,000
Navy industrial fund 051	0	−106,439	−2,040	66,000	−13,000
Marine Corps industrial fund.....051	0	−1,072	−87	200	−200
Air Force industrial fund.....051	0	−80,457	−51,511	79,000	−81,000
Defense industrial fund 051	0	5,175	3,854	−4,000	−8,500
Army management fund.....051	0	−2,284	3,340	.....	.....
Navy management fund.....051	0	−398	22,361	.....	.....
Air Force management fund 051	0	471	632	2,500	.....
Total Federal funds Revolving and Management Funds.	BA	**135,000**	.....	**219,800**	**170,800**
	0	−240,582	−306,091	335,300	6,300
ALLOWANCES					
Federal Funds					
General and special funds:					
Civilian and military pay raises ...051	BA				**[1]2,493,200**
	BA				**[2]−166,700**
	0				[1]2,417,200
	0				[2]−160,000
Retired pay legislation.....051	BA				**[2]31,900**
	0				[2]31,900
Other legislation.....051	BA				**[2]25,900**
	0				[2]25,900
Total Federal funds Allowances.	BA	.....	.....	.....	**2,384,300**
	0	.....	.....	.....	2,315,000
TRUST FUNDS					
Miscellaneous trust funds: Permanent, indefinite 051	BA	**8,476**	**3,848**	**10,152**	**7,700**
	0	8,380	3,635	7,213	7,746
Miscellaneous trust revolving funds .051	0	−19,391	−5,363	−22,913	−4,046
Total trust funds.....	BA	**8,476**	**3,848**	**10,152**	**7,700**
	0	−11,011	−1,728	−15,700	3,700
SUMMARY					
Federal funds:					
(As shown in detail above).....	BA	**95,857,990**	**23,079,867**	**108,425,082**	**121,872,780**
	0	88,202,070	21,923,136	98,241,300	109,695,300
Deductions for offsetting receipts: Intrafund transactions.....051	BA, 0	*146*	*−146*	.....	.....

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF DEFENSE—MILITARY—Continued					
SUMMARY—Continued					
Federal funds:—Continued					
Proprietary receipts from the public.....051	BA O	*–147,960*	*7,474*	*–168,800*	*–168,800*
Total Federal funds	BA	**95,710,176**	**23,087,195**	**108,256,282**	**121,703,980**
	O	88,054,256	21,930,464	98,072,500	109,526,500
Trust funds:					
(As shown in detail above)	BA	**8,476**	**3,848**	**10,152**	**7,700**
	O	–11,011	–1,728	–15,700	3,700
Interfund transactions.....051	BA O	**–7,090**	**–2,526**	**–6,800**	**–7,200**
Total Department of Defense—Military.	BA	**95,711,562**	**23,088,517**	**108,259,634**	**121,704,480**
	O	88,036,155	21,926,210	98,050,000	109,523,000
DEPARTMENT OF DEFENSE—CIVIL					
CEMETERIAL EXPENSES, ARMY					
Federal Funds					
General and special funds:					
Salaries and expenses.....705	BA	**5,785**	**1,022**	**6,161**	**5,486**
	O	4,929	1,501	5,030	6,300
CORPS OF ENGINEERS—CIVIL					
Federal Funds					
General and special funds:					
General investigations.....301	BA	**66,836**	**17,110**	**71,920**	**81,200**
	O	67,756	16,810	73,000	81,200
Construction, general.....301	BA	**1,237,151**	**412,741**	**1,436,745**	**[K]1,489,585**
	O	1,195,057	327,190	1,400,000	1,471,000
Operation and maintenance, general 301	BA	**582,073**	**153,116**	**648,900** **[C]11,764** **[D]6,869** **[E]67**	**750,900**
	O	555,605	169,808	660,000	752,900
Flood control and coastal emergencies.....301	BA	**40,000**	**3,750**	**22,140**	**20,169**
	O	53,957	7,977	22,000	20,170
General expenses.....301	BA	**43,700**	**11,050**	**47,200** **[D]1,755** **[E]95**	**56,800**
	O	42,730	10,875	49,800	55,800
Flood control, Mississippi River and tributaries.....301	BA	**205,147**	**60,300**	**231,497**	**[K]228,900**
	O	200,964	72,051	240,000	230,900
Special recreation use fees.....303	BA	**1,200**	.....	**2,000**	**6,000**
	O	1,111	158	1,800	5,500
Permanent appropriations:					
(Water resources and power): Permanent, indefinite.....301	BA	**2,800**	.....	**673**	**700**
	O	456	.....	2,800	673
(Other general purpose fiscal assistance): Permanent, indefinite.....852	BA	**4,297**	.....	**5,100**	**4,500**
	O	3,971	4,297	.....	5,100
Total, Permanent appropriations	BA	**7,097**	.....	**5,773**	**5,200**
	O	4,427	4,297	2,800	5,773

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DEPARTMENT OF DEFENSE—CIVIL—Continued					
CORPS OF ENGINEERS—CIVIL—Continued					
Federal Funds—Continued					
Intragovernmental funds:					
Revolving fund 301	BA	**700**	**950**	**6,600**	.....
				[H]**–6,600**	
	O	5,020	–22,559	3,436	2
				[H]–3,000	[H]–3,600
Consolidated working fund 301	O	–11,473	–2,464	14,048	.....
Trust Funds					
Corps of Engineers-Civil: Permanent, indefinite 301	BA	**37,268**	**11,806**	**39,000**	**39,000**
	O	40,643	12,758	33,000	39,000
Summary					
Federal funds:					
(As shown in detail above)	BA	**2,183,904**	**659,017**	**2,486,725**	**2,638,754**
	O	2,115,154	584,143	2,463,884	2,619,645
Deductions for offsetting receipts:					
Proprietary receipts from the public 300	BA, O	*–14,400*	*–5,122*	*–14,187*	*–15,285*
301	BA, O	*–11*	*–3*	*–13*	*–15*
902	BA, O	*–1,026*	*–489*	*–1,400*	*–1,700*
Total Federal funds	BA	**2,168,467**	**653,403**	**2,471,125**	**2,621,754**
	O	2,099,717	578,529	2,448,284	2,602,645
Trust funds:					
(As shown in detail above)	BA	**37,268**	**11,806**	**39,000**	**39,000**
	O	40,643	12,758	33,000	39,000
Deductions for offsetting receipts:					
Proprietary receipts from the public 301	BA, O	*–37,268*	*–11,806*	*–39,000*	*–39,000*
Total trust funds	O	3,375	952	–6,000	.....
Total Corps of Engineers—Civil	BA	**2,168,467**	**653,403**	**2,471,125**	**2,621,754**
	O	2,103,092	579,481	2,442,284	2,602,645
RYUKYU ISLANDS, ARMY					
Federal Funds					
General and special funds:					
Administration 806	O	.....	6	.....	.....
Summary					
Federal funds:					
(As shown in detail above)	O	.....	6	.....	.....
Deductions for offsetting receipts:					
Proprietary receipts from the public 800	BA, O	*–398*	*–88*	*–465*	*–410*
Total Ryukyu Islands, Army.....	BA	**–398**	**–88**	**–465**	**–410**
	O	–398	–82	–465	–410
SOLDIERS' AND AIRMEN'S HOME					
Trust Funds					
Operation and maintenance 705	BA	**15,665**	**3,905**	**15,373**	**16,356**
				[C]**476**	
				[D]**250**	
	O	14,601	3,501	16,351	16,340

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF DEFENSE—CIVIL—Continued					
SOLDIERS' AND AIRMEN'S HOME—Continued					
Trust Funds—Continued					
Capital outlay.....705	O	96	.....	.....	.....
Payment of claims: Permanent, indefinite.....705	BA	.....	.....	**5**	**5**
	O	.....	.....	5	5
Soldiers' and Airmen's Home revolving fund.....705	O	–21	–8	.....	.....
Summary					
Federal funds:					
Deductions for offsetting receipts: Proprietary receipts from the public.....705	BA	*–1*	.....	.....	.....
	O				
Total Federal funds.....	BA	**–1**	.....	.....	.....
	O	–1	.....	.....	.....
Trust funds:					
(As shown in detail above).....	BA	**15,665**	**3,905**	**16,104**	**16,361**
	O	14,676	3,493	16,356	16,345
Deductions for offsetting receipts: Proprietary receipts from the public.....705	BA	*–163*	*–23*	*–1,345*	*–1,795*
	O				
Total trust funds.....	BA	**15,502**	**3,882**	**14,759**	**14,566**
	O	14,513	3,470	15,011	14,550
Total Soldiers' and Airmen's Home.	BA	**15,501**	**3,882**	**14,759**	**14,566**
	O	14,512	3,470	15,011	14,550
THE PANAMA CANAL					
CANAL ZONE GOVERNMENT					
Federal Funds					
General and special funds:					
Operating expenses.....806	BA	**60,150**	**16,200**	**65,900**	**70,687**
	O	55,365	14,121	65,900	70,687
Capital outlay.....806	BA	**2,240**	**560**	**3,150**	**2,895**
	O	4,939	1,479	5,211	3,879
Total Federal funds, Canal Zone Government.	BA	**62,390**	**16,760**	**69,050**	**73,582**
	O	60,304	15,600	71,111	74,566
PANAMA CANAL COMPANY					
Federal Funds					
Public enterprise funds:					
Corporation: Panama Canal Company 406	O	–2,552	–1,468	1,500	.....
Limitation on general and administrative expenses.		(24,371)	(6,540)	(25,285)	(26,231)
Summary					
Federal funds:					
(As shown in detail above).....	BA	**62,390**	**16,760**	**69,050**	**73,582**
	O	57,752	14,132	72,611	74,566
Deductions for offsetting receipts: Intrafund transactions.....806	BA	*–19,331*	*–6,397*	*–20,078*	*–21,286*
	O				
Proprietary receipts from the public.....800	BA	*–36,252*	*–9,492*	*–45,790*	*–48,783*
	O				

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF DEFENSE—CIVIL—Continued					
THE PANAMA CANAL—Continued					
Summary—Continued					
Federal funds:—Continued					
902	BA	*–65*	*–15*	*–70*	*–70*
	O				
Total The Panama Canal	BA	**6,742**	**856**	**3,112**	**3,443**
	O	2,104	–1,772	6,673	4,427
MISCELLANEOUS ACCOUNTS					
Federal Funds					
General and special funds:					
Wildlife conservation, etc., military reservations: Permanent, indefinite 303	BA	**728**	**185**	**838**	**840**
	O	741	133	858	840
Summary					
Federal funds:					
(As shown in detail above)	BA	**728**	**185**	**838**	**840**
	O	741	133	858	840
Deductions for offsetting receipts:					
Proprietary receipts from the public 300	BA	*–728*	*–185*	*–838*	*–840*
	O				
Total Miscellaneous Accounts	O	13	–52	20	.....
SUMMARY					
Federal funds:					
(As shown in detail above)	BA	**2,252,807**	**676,984**	**2,562,774**	**2,718,662**
	O	2,178,576	599,915	2,542,383	2,701,351
Deductions for offsetting receipts:					
Intrafund transactions 806	BA	*–19,331*	*–6,397*	*–20,078*	*–21,286*
	O				
Proprietary receipts from the public 300	BA	*–15,128*	*–5,307*	*–15,025*	*–16,125*
	O				
301	BA	*–11*	*–3*	*–13*	*–15*
	O				
705	BA	*–1*	.....	.....	.....
	O				
800	BA	*–36,650*	*–9,580*	*–46,255*	*–49,193*
	O				
902	BA	*–1,091*	*–504*	*–1,470*	*–1,770*
	O				
Total Federal funds	BA	**2,180,595**	**655,193**	**2,479,933**	**2,630,273**
	O	2,106,364	578,124	2,459,542	2,612,962
Trust funds:					
(As shown in detail above)	BA	**52,933**	**15,711**	**55,104**	**55,361**
	O	55,319	16,251	49,356	55,345
Deductions for offsetting receipts:					
Proprietary receipts from the public 301	BA	*–37,268*	*–11,806*	*–39,000*	*–39,000*
	O				

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF DEFENSE—CIVIL—Continued					
SUMMARY—Continued					
Trust funds:—Continued					
705	BA O	*–163*	*–23*	*–1,345*	*–1,795*
Total trust funds	BA	**15,502**	**3,862**	**14,759**	**14,566**
	O	17,888	4,422	9,011	14,550
Total Department of Defense—Civil.	BA	**2,196,097**	**659,075**	**2,494,692**	**2,644,839**
	O	2,124,252	582,546	2,468,553	2,627,512
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE					
PUBLIC HEALTH SERVICE					
Food and Drug Administration					
Federal Funds					
General and special funds:					
Salaries and expenses.....553	BA	**207,805**	**53,226**	**241,977** [C]**217** [D]**7,254** [E]**571**	**275,743**
	O	215,841	54,653	236,750	273,176
Buildings and facilities.....554	BA	**1,000**	**750**	**3,125**	**3,515**
	O	1,858	496	3,413	3,606
Public enterprise funds:					
Revolving fund for certification and other services.....553	O	762	–352	.....	.....
Total Federal funds Food and Drug Administration.	BA	**208,805**	**53,976**	**253,144**	**279,258**
	O	218,461	54,797	240,163	276,782
Health Services Administration					
Federal Funds					
General and special funds:					
Health services.....551	BA	**994,706**	**243,088**	**1,077,175** [C]**807** [D]**3,471** [E]**122**	[K]**902,041** [J]**–844,012**
	O	1,119,744	191,391	1,117,863	847,118 [J]–407,000
Indian health services.....551	BA	**283,310**	**75,528**	**349,788** [C]**1,155** [D]**3,442**	**362,424**
	O	273,190	74,916	341,470	358,732
Indian health facilities.....554	BA	**55,616**	**11,084**	**88,163**	**74,425**
	O	59,303	16,260	59,389	77,731
Emergency health.....054	O	94	.....	.....	.....
Public enterprise funds:					
Health maintenance organization loan and loan guarantee fund.551	O	9,074	7,270	15,575	14
Total Federal funds Health Services Administration.	BA	**1,333,632**	**329,700**	**1,524,123**	**494,878**
	O	1,461,405	289,837	1,534,297	876,595

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued					
PUBLIC HEALTH SERVICE—Continued					
Center for Disease Control					
Federal Funds					
General and special funds:					
Preventive health services.....553	BA	**285,435**	**34,532**	**175,228** [C]**767** [D]**3,233** [E]**545**	**75,782** [J]**–52,500**
	0	173,633	45,887	223,379	102,824 [J]–22,000
National Institutes of Health					
Federal Funds					
General and special funds:					
Biomedical research:					
Biomedical research.....552	BA	**2,248,126**	**438,357**	**2,463,378**	[K]**2,022,496**
	0	2,340,220	626,468	2,138,118	2,012,127
Buildings and facilities.....554	BA	**54,000**	**750**	**67,400**	**65,650**
	0	8,292	2,193	37,445	48,957
Intragovernmental funds:					
General research support grants..552	0	–840	62	.....	.....
National Institutes of Health Management fund.....552	0	–72	206	.....	15,590
Consolidated working fund.....552	0	–5,324	174	2,190	900
Service and supply fund.....552	0	4,061	–1,245	568	–513
Total Federal funds National Institutes of Health.	BA	**2,302,126**	**439,107**	**2,530,778**	**2,088,146**
	0	2,346,337	627,858	2,178,321	2,077,061
Alcohol, Drug Abuse, and Mental Health Administration					
Federal Funds					
General and special funds:					
Alcohol, drug abuse, and mental health:					
(Health care services).....551	BA	**451,284**	**65,280**	**480,719**	**483,900** [J]**–317,849**
	0	481,936	132,582	420,113	439,340 [J]–56,185
(Health research and education) 552	BA	**243,696**	**36,494**	**257,516**	[K]**174,323**
	0	275,037	81,709	206,469	214,480
(Prevention and control of health problems).....553	BA	**118,422**	**15,589**	**123,589**	**69,304** [J]**–26,858**
	0	105,676	37,360	107,301	70,349 [J]–3,815
(Health planning and construction).....554	0	16,631	1,857	12,829	2,566
Total, Alcohol, drug abuse, and mental health.	BA	**813,402**	**117,363**	**861,824**	**382,820**
	0	879,280	253,508	746,712	666,735
Construction and renovation St. Elizabeths Hospital.....554	BA	**10,600**	.....	.....	**810**
	0	.....	286	8,251	2,298

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

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DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued					
PUBLIC HEALTH SERVICE—Continued					
Alcohol, Drug Abuse, and Mental Health Administration—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Saint Elizabeths Hospital: Indefinite 551	BA	**57,002**	**15,968**	**60,464** **[C]1,313** **[D]2,720** **[K]17**	.....
	O	60,145	15,223	63,930	4,755
Intragovernmental funds:					
Working capital fund, Lexington Addiction Research Center.....551	O	86	–9	–14	–18
Total Federal funds Alcohol, Drug Abuse, and Mental Health Administration.	BA	**881,004**	**133,331**	**926,338**	**383,630**
	O	939,511	269,008	818,879	673,770
Health Resources Administration					
Federal Funds					
General and special funds:					
Health resources:					
(Health research and education) 552	BA	**485,451**	**79,949**	**461,178**	**[K]228,171**
	O	520,834	183,939	398,931	376,486
(Health planning and construction).....554	BA	**222,476**	**27,195**	**180,830**	**[K]140,616** **[J]–125,000**
	O	612,493	114,981	611,337	263,094 [J]–36,000
Total, Health resources	BA	**707,927**	**107,144**	**642,008**	**243,787**
	O	1,133,327	298,920	1,010,268	603,580
Public enterprise funds:					
Medical facilities guarantee and loan fund.....554	BA	**10,000**	**7,000**	**31,000**	**41,000**
	O	21,412	–476	35,222	45,996
Health education loans.....552	BA	**2,284**	.....	**2,727**	**1,814**
	O	–1,728	578	2,727	1,814
Nurse training fund.....552	BA	**1,716**	.....	**1,273**	**778**
	O	–835	214	1,273	778
Health professions graduate student loan insurance fund 552	O	.....	.....	.....	–10,000
Total Federal funds Health Resources Administration.	BA	**721,927**	**114,144**	**677,008**	**287,379**
	O	1,152,176	299,236	1,049,490	642,168
Office of Assistant Secretary for Health					
Federal Funds					
General and special funds:					
Salaries and expenses 554	BA	**21,508**	**5,457**	**22,316**	**[K]970,426** **[J]–32,231**
Current, indefinite.....	BA	.....	.....	.....	**68,746**
	O	28,685	484	25,378	941,218 [J]–27,914
Retirement pay and medical benefits for commissioned officers: Indefinite.....551	BA	**44,990**	**13,020**	**52,352**	**56,948**
	O	42,573	10,481	51,449	54,406
Financial assistance for health care 555	BA				**[J]13,172,472**
	O				[J]12,302,399

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued					
PUBLIC HEALTH SERVICE—Continued					
Office of Assistant Secretary for Health —Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Scientific activities overseas (special foreign currency program).....552	BA	.....	.....	**1,500**	**11,387**
	O	8,091	2,453	11,678	11,485
Intragovernmental funds:					
Service and supply fund.....551	O	1,209	425	.....	.....
Miscellaneous consolidated working funds.....552	O	−53,722	39,381	.....	.....
Total Federal funds Office of Assistant Secretary for Health.	BA	**66,498**	**18,477**	**76,168**	**14,247,748**
	O	26,836	53,224	88,505	13,281,594
Trust Funds					
Miscellaneous trust funds: Permanent, indefinite.....554	BA	**2,720**	**727**	**1,600**	**1,600**
	O	2,230	1,012	1,802	1,622
Total Federal funds Public Health Service.	BA	**5,799,427**	**1,123,267**	**6,167,332**	**17,804,321**
	O	6,318,359	1,639,847	6,133,034	17,908,794
Total trust funds Public Health Service.	BA	**2,720**	**727**	**1,600**	**1,600**
	O	2,230	1,012	1,802	1,622
EDUCATION DIVISION					
Office of Education					
Federal Funds					
General and special funds:					
Financial assistance for elementary and secondary education.....501	BA				[J]**3,775,528**
	O				[J]336,088
Elementary and secondary education 501	BA	**199,270**	**2,237,522**	**2,713,050**	**2,634,800**
					[J]**−2,479,000**
Permanent.....	BA	**2,210,218**	.....	.....	.....
	O	2,166,989	706,562	2,239,100	2,652,335
					[J]−219,400
Indian education 501	BA	**57,055**	**516**	**44,933**	**45,087**
				[D]**84**	
	O	42,046	18,954	50,720	45,488
School assistance in federally affected areas.....501	BA	**704,000**	**70,000**	**793,000**	**395,000**
	O	598,884	74,898	847,000	496,000
Emergency school aid 501	BA	**271,700**	**3,325**	**274,700**	**274,700**
	O	213,231	55,457	270,958	272,539
Education for the handicapped 501	BA	**126,375**	**210,500**	**467,625**	**469,925**
				[A]**1,735**	
					[J]**−467,625**
Permanent.....	BA	**100,000**	.....	.....	.....
	O	191,442	55,435	318,570	420,930
				[A]608	[A]789
					[J]−42,086
Occupational, vocational, and adult education 501	BA	**598,151**	**222,500**	**1,118,658**	**667,412**
					[J]**−674,573**
Permanent.....	BA	**74,661**	**1,790**	**12,532**	**7,161**
	O	747,503	89,710	725,668	804,263
					[J]−60,712

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued					
EDUCATION DIVISION—Continued					
Office of Education—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Higher education 502	BA	**3,350,859**	**125,000**	**2,757,363**	**2,358,491**
Permanent	BA	**2,700**	.....	**2,700**	.....
	O	2,455,165	594,734	3,088,046	2,364,415
Library resources 503	BA	**70,724**	**160,267**	**224,542**	**216,054**
					[J]**−154,330**
	O	151,965	18,125	175,168	177,178
					[J]−13,890
Special projects and training 503	BA	**36,893**	.....	**84,993**	**89,568**
	O	283	7,944	47,451	77,734
Educational activities overseas (special foreign currency program) 503	BA	**2,000**	**200**	**2,000**	**2,000**
	O	1,734	614	1,954	1,982
Salaries and expenses 503	BA	**108,882**	**25,278**	**115,784**	**129,018**
				[A]**4,145**	
				[D]**3,457**	
	O	115,236	25,393	115,171	125,234
				[A]3,523	[A]560
Educational development 503	O	9,066	−189	3,531	1,500
Public enterprise funds:					
Student loan insurance fund 502	BA	**201,787**	**30,000**	.....	**255,724**
				[A]**32,312**	
Authority to spend public debt receipts.	BA	.....	.....	.....	**25,000**
	O	133,508	57,517	131,302	368,489
				[A]18,801	[A]13,511
Higher education facilities loan and insurance fund 502	BA	**2,192**	**548**	**2,119**	**1,847**
Permanent, indefinite	BA	.....	**1,447**	**1,218**	**1,166**
	O	−14,090	31,200	6,407	7,292
Intragovernmental funds:					
Consolidated working fund 503	O	584	−1,239	.....	.....
Total Federal funds Office of Education.	BA	**8,117,467**	**3,088,893**	**8,656,950**	**7,572,953**
	O	6,813,546	1,735,115	8,043,978	7,830,239
National Institute of Education					
Federal Funds					
General and special funds:					
National Institute of Education 503	BA	**70,000**	**20,000**	**90,000**	**109,000**
				[D]**385**	
	O	69,778	13,280	88,360	93,934
Intragovernmental funds:					
Consolidated working fund 503	O	−650	742	427	.....
Total Federal funds National Institute of Education.	BA	**70,000**	**20,000**	**90,385**	**109,000**
	O	69,128	14,022	88,787	93,934
Office of the Assistant Secretary for Education					
Federal Funds					
General and special funds:					
Salaries and expenses: (Higher education) 502	BA	**11,500**	.....	**11,500**	**14,500**
	O	10,165	96	13,668	12,120

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued					
EDUCATION DIVISION—Continued					
Office of the Assistant Secretary for Education—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Salaries and expenses:—Continued					
(Research and general education aids) 503	BA	**21,000**	**5,599**	**22,126** D306	**26,099**
	O	10,910	1,770	22,262	24,091
Total, Salaries and expenses.....	BA	**32,500**	**5,599**	**33,932**	**40,599**
	O	21,075	1,866	35,930	36,211
Total Federal funds Office of the Assistant Secretary for Education.	BA	**32,500**	**5,599**	**33,932**	**40,599**
	O	21,075	1,866	35,930	36,211
Trust Funds					
Special statistical compilations and surveys: Permanent.....503	BA	**22**	**–13**	**50**	**60**
	O	–3	.....	50	60
Total Federal funds Education Division.	BA	**8,219,967**	**3,114,492**	**8,781,267**	**7,722,552**
	O	6,903,749	1,751,003	8,168,695	7,960,384
Total trust funds Education Division.	BA	**22**	**–13**	**50**	**60**
	O	–3	.....	50	60
SOCIAL AND REHABILITATION SERVICE					
Federal Funds					
General and special funds:					
Public assistance:					
(Social services).....506	BA	**2,833,020**	**609,500**	**2,533,850** A196,449	**2,542,000**
	O	2,258,497	564,170	2,533,850 A196,449	2,542,000
(Health care services).....551	BA	**8,510,026**	**2,220,000**	**9,292,000** A937,318	**11,816,000** J–11,816,000
	O	8,568,237	2,228,657	9,292,000 A937,318	11,816,000 J–11,816,000
(Public assistance and other income supplements).....604	BA	**5,897,904**	**1,576,000**	**6,215,000** A91,430	**6,605,800** J–63,000
	O	5,848,703	1,606,314	6,215,000 A91,430	6,605,800 J–63,000
Total, Public assistance.....	BA	**17,240,950**	**4,405,500**	**19,266,047**	**9,084,800**
	O	16,675,437	4,399,141	19,266,047	9,084,800
Work incentives 504	BA	**400,000**	**80,000**	**370,000**	**365,000** J–21,000
	O	307,313	86,461	365,000	365,000 J–21,000
Program Administration 506	BA	**60,378**	**15,219**	**62,895** A6,334 D1,855	**74,535** J–13,897
	O	54,702	12,200	67,580 A824	67,467 A5,510 J–12,610

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DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued					
SOCIAL AND REHABILITATION SERVICE—Con.					
Federal Funds—Continued					
General and special funds:—Continued					
Special assistance to refugees from Cambodia, Vietnam, and Laos in the United States.....604	BA	.....	.....	**50,000**	.....
	O	54,207	20,591	118,191	10,000
Cuban refugee assistance.....604	BA	**85,000**	**19,000**	**82,000**	**57,700**
	O	83,799	14,682	86,400	67,700
Payments to states from receipts for child support: Permanent, indefinite.....604	BA	.....	.....	**5**	**365**
	O	.....	.....	5	365
Intragovernmental funds:					
Consolidated working fund.....506	O	444	−100	.....	.....
Total Federal funds Social and Rehabilitation Service.	BA	**17,786,328**	**4,519,719**	**19,839,136**	**9,547,503**
	O	17,175,902	4,532,975	19,904,047	9,567,232
Trust Funds					
Gifts and donations, refugee assistance 604	O	.....	.....	5	.....
SOCIAL SECURITY ADMINISTRATION					
Federal Funds					
General and special funds:					
Payments to social security trust funds:					
(Health care services).....551	BA	**3,597,430**	**878,000**	**5,997,000**	**7,213,941**
					[1]**−137,000**
	O	3,597,768	878,000	5,997,000	7,213,941
					[1]−137,000
(General retirement and disability insurance).....601	BA	**515,317**	.....	**716,902**	**741,203**
	O	515,317	.....	716,902	741,203
(Public assistance and other income supplements).....604	BA	**10,616**	**2,940**	.....	.....
	O	2,510	711	6	.....
Total, Payments to social security trust funds.	BA	**4,123,363**	**880,940**	**6,713,902**	**7,818,144**
	O	4,115,595	878,711	6,713,908	7,818,144
Special benefits for disabled coal miners.....601	BA	**999,778**	**234,600**	**913,897**	**967,623**
				[4]**48,068**	
	O	997,724	240,454	904,032	965,623
				[4]48,068	
Supplemental security income program.....604	BA	**5,518,523**	**1,503,541**	**5,895,122**	**5,750,000**
	O	5,057,971	1,289,603	5,369,428	5,714,012
Intragovernmental funds:					
Consolidated working fund.....601	O	451	995	.....	.....
Total Federal funds Social Security Administration.	BA	**10,641,664**	**2,619,081**	**13,570,989**	**14,535,767**
	O	10,171,741	2,409,763	13,035,436	14,497,779
Trust Funds					
Federal old-age and survivors insurance trust fund: Indefinite.....601	BA				[1]**−843,000**
Permanent, indefinite.....	BA	**62,327,140**	**16,185,537**	**71,502,756**	**78,163,203**
	O	64,296,083	17,109,799	73,275,369	80,546,394
				[1]−42,000	[1]−958,000
Limitation on salaries and expenses..		.....	.....	(36,358)	.....
Limitation on salaries and expenses..		(2,395,731)	(645,200)	(2,561,773)	(2,685,951)
Limitation on construction.....		(6,300)	(3,633)	(14,400)	(14,600)

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DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued					
SOCIAL SECURITY ADMINISTRATION—Con.					
Trust Funds—Continued					
Federal disability insurance trust fund: Indefinite.....601	BA				[J]2,217,000
Permanent, indefinite.....	BA	8,355,185	2,172,318	9,502,279	10,635,000
	O	9,606,462	2,653,039	11,436,466	12,825,732
				[J]–1,000	[J]–40,000
Federal hospital insurance trust fund: Indefinite.....551	BA			[J]3,000	[J]–51,000
Permanent, indefinite.....	BA	13,544,303	3,515,755	15,645,836	19,721,941
	O	12,578,627	3,403,659	15,485,355	18,164,142
				[J]–145,000	[J]–1,715,000
Federal supplementary medical insurance trust fund: Indefinite....551	BA			[J]2,000	[J]–25,000
Permanent, indefinite.....	BA	4,980,311	1,421,068	7,346,746	8,937,000
	O	5,200,093	1,401,115	6,505,619	7,916,541
				[J]–73,000	[J]–69,000
Total trust funds Social Security Administration.	BA	89,206,939	23,294,678	104,002,617	118,755,144
	O	91,681,265	24,567,612	106,441,809	116,670,809
SPECIAL INSTITUTIONS					
Federal Funds					
General and special funds:					
American Printing House for the Blind.....501	BA	2,408	602	3,012	3,498
	O	2,407	602	3,012	3,498
National Technical Institute for the Deaf.....502	BA	9,836	2,932	12,675	14,630
	O	11,846	2,667	13,574	14,630
Gallaudet College.....502	BA	22,831	5,741	40,840	45,976
				[A]958	
	O	29,678	10,065	37,242	49,500
				[A]958	
Howard University.....502	BA	86,558	19,628	82,409	99,118
				[A]5,684	
	O	84,817	18,128	94,297	102,234
				[A]5,684	
Total Federal funds Special Institutions.	BA	121,633	28,903	145,578	163,222
	O	128,748	31,462	154,767	169,862
ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT					
Federal Funds					
General and special funds:					
Human development: (Elementary, secondary, and vocational education).....501	BA	502,428	121,025	523,008	[K]524,744
				[D]529	
	O	499,639	139,949	512,525	525,420

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DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued					
ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Human development:—Continued					
(Social services)....506	BA	**1,199,900**	**309,947**	**1,373,015**	**1,374,917**
				[D]**1,295**	
					[J]**–59,125**
	0	1,137,040	307,127	1,328,457	1,382,199
					[J]–35,875
Total, Human development.....	BA	**1,702,328**	**430,972**	**1,897,847**	**1,840,536**
	0	1,636,679	447,076	1,840,982	1,871,744
Research and training activities overseas (special foreign curency program).....506	0	2,603	542	2,921	3,000
Total Federal funds Assistant Secretary for Human Development.	BA	**1,702,328**	**430,972**	**1,897,847**	**1,840,536**
	0	1,639,282	447,618	1,843,903	1,874,744
DEPARTMENTAL MANAGEMENT					
Federal Funds					
General and special funds:					
General Departmental management:					
(Community development).....451	0	15,000	2,800	5,100	.....
(Public assistance and other income supplements).....604	BA	**88,542**	**23,319**	**89,781**	**77,777**
				[A]**1,040**	
				[D]**4,736**	
	0	84,395	21,650	100,003	78,100
				[A]1,000	[A]40
Total, General Departmental management.	BA	**88,542**	**23,319**	**95,557**	**77,777**
	0	99,395	24,450	106,103	78,140
Office of Inspector General.....604	BA	.....	.....	.....	**25,343**
	0	.....	.....	.....	23,300
Office for Civil Rights.....751	BA	**25,339**	**6,607**	**29,685**	**33,307**
				[D]**700**	
	0	25,101	5,515	31,784	33,411
Office of Consumer Affairs.....506	BA	**1,534**	**388**	**1,581**	**1,779**
				[D]**69**	
	0	1,556	359	1,660	1,770
Policy research.....604	BA	**24,950**	**6,575**	**20,000**	**22,400**
	0	11,053	3,328	25,200	22,400
Allied services.....506	BA			[J]**20,000**	[J]**20,000**
	0			[J]5,000	[J]20,000
Intragovernmental funds:					
Working capital fund.....506	0	–443	1,654	.....	.....
Consolidated working fund.....506	0	1,535	1,216	.....	.....
Grants management fund.....554	0	3,344	–156,545	153,657	.....
Total Federal funds Departmental Management.	BA	**140,365**	**36,889**	**167,592**	**180,606**
	0	141,541	–120,023	323,404	179,021
SUMMARY					
Federal funds:					
(As shown in detail above).....	BA	**44,411,712**	**11,873,323**	**50,569,741**	**51,794,507**
	0	42,479,322	10,692,645	49,563,286	52,157,816

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DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—Continued					
SUMMARY—Continued					
Federal funds:—Continued					
Deductions for offsetting receipts:					
Intrafund transactions.....902	BA	.....	*–30,888*	*–24,800*	*–24,800*
	O				
Proprietary receipts from the public.....500	BA	*–4,453*	*–957*	*–4,295*	*–4,543*
	O				
550	BA	*–7,956*	*–875*	*–7,715*	*–7,815*
	O				
902	BA	*–1,493*	*–2,172*	*–1,369*	*–1,366*
	O				
Total Federal funds.....	BA	**44,397,810**	**11,838,431**	**50,531,562**	**51,755,983**
	O	42,465,420	10,657,753	49,525,107	52,119,292
Trust funds:					
(As shown in detail above).....	BA	**89,209,681**	**23,295,392**	**104,004,267**	**118,756,804**
	O	91,683,492	24,568,624	106,443,666	116,672,491
Deductions for offsetting receipts:					
Intrafund transactions.....601	BA	*–1,238,669*	.....	*–1,319,000*	*–1,577,000*
	O				
902	BA	*–6,818*	*–6,987*	.....	*–10,000*
	O				
Proprietary receipts from the public.....503	BA	*–22*	*13*	*–50*	*–60*
	O				
551	BA	*–48*	.....	.....	.....
	O				
554	BA	*–2,219*	*–651*	*–1,290*	*–1,290*
	O				
601	BA	*–35*	*–4*	.....	.....
	O				
902	BA	*–3,056*	.....	*–7,715*	.....
	O				
Total trust funds.....	BA	**87,958,814**	**23,287,763**	**102,676,212**	**117,168,454**
	O	90,432,625	24,560,995	105,115,611	115,084,141
Interfund transactions.....551	BA	**–3,597,768**	**–878,000**	**–5,997,000**	**–7,076,941**
	O				
601	BA	**–515,317**	.....	**–716,902**	**–741,203**
	O				
Total Department of Health, Education, and Welfare.	BA	**128,243,539**	**34,248,194**	**146,493,872**	**161,106,293**
	O	128,784,960	34,340,748	147,926,816	159,385,289
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
HOUSING PROGRAMS					
Federal Funds					
General and special funds:					
Annual contributions for assisted housing: 604					
Contract authority.....	BA	**17,000,000**	.....	**14,870,400**	**^23,875,400**
Permanent.....	BA	**1,033,511**	**17,693**	**15,288**	**33,300**

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—Continued					
HOUSING PROGRAMS—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Housing payments.....604					
Liquidation of contract authority....		(2,237,691)	(648,694)	(2,975,000)	(4,362,000)
				[A](240,000)	
	O	2,282,456	518,545	2,274,864	2,965,136
				[A]121,136	[A]118,864
Payments for operation of low income housing projects.....604	BA	.....	.....	.....	[K]612,000
Contract authority.....	BA	**535,000**	**80,000**	**575,600**	.....
Liquidation of contract authority....		(535,000)	(80,000)	(575,600)	.....
	O	177,881	127,586	507,000	560,000
Rent supplement program: 604					
Contract authority.....	BA	**800,000**	.....	.....	.....
State housing finance and development agencies: 451					
Contract authority.....	BA	**600,000**	.....	.....	.....
Liquidation of contract authority....		(15,000)	.....	.....	.....
Homeownership (Section 235) and rental housing (Section 236) assistance: 604					
Contract authority, Permanent.....	BA	**23**	**155**	**90**	**552**
Public enterprise funds:					
Federal Housing Administration fund 401	BA			[B]1,801,344	
Current, indefinite.....	BA	**147,500**	.....	**135,000**	[K]15,000
Authority to spend public debt receipts.				[B]–1,801,344	
Authority to spend public debt receipts, Permanent.	BA	**1,083,134**	**209,049**	**883,915**	**1,101,906**
	O	1,191,196	40,281	1,027,790	945,325
College housing—loans and other expenses.....502	BA	**12,863**	**3,607**	**14,625**	.....
Appropriation, Permanent, indefinite.	BA	**179**	**176**	**446**	.....
Contract authority.....	BA	**–32,522**	**–8,691**	.....	.....
	O	–48,617	22,151	26,768	.....
Low-rent public housing—loans and other expenses.....604	O	7,474	11,045	.....	.....
Emergency homeowners' relief fund 401	BA	**35,000**	.....	.....	.....
Nonprofit sponsor assistance.....604	O	93	11	2,350	100
Community disposal operations fund 451	O	–835	–229	–700	–600
Rental housing assistance fund...604	O	–12,401	–5,171	–9,279	–9,000
Revolving fund (liquidating programs).....451	BA	**2,028**	**518**	**2,040**	**12,448**
Appropriation, Permanent, indefinite.	BA	**429**	**415**	**1,132**	**975**
	O	127,559	18,422	131,884	41,449
Intragovernmental funds:					
Disaster assistance fund.....453	O	–5,386	7,840	–13,600	.....
Total Federal funds Housing Programs.	BA	**21,217,145**	**302,922**	**16,498,536**	**25,651,581**
	O	3,719,420	740,481	4,068,213	4,621,274

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—Continued					
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION					
Federal Funds					
General and special funds:					
Payment of participation sales insufficiencies.....401	BA	**1,813**	.....	.....	.....
Public enterprise funds:					
Special assistance functions fund 401	BA	**4,230**	**1,166**	**4,600**	**4,139**
Appropriation, Permanent, indefinite.	BA	**3,049**	**878**	**3,500**	**3,661**
Authority to spend public debt receipts.	BA	**5,000,000**	.....	.....	.....
	0	657,695	−232,217	−359,846	−285,858
Management and liquidating functions fund.....401	0	−57,556	−7,361	−21,400	−17,000
Limitation on administrative expenses, Government National Mortgage Association.		(1,393)	(350)	.....	.....
Guarantees of mortgage-backed securities.....401	0	−12,106	−4,820	−9,546	−13,400
Participation sales fund:					
(Mortgage credit and thrift insurance).....401	0	19,673	5,435	10,327	6,393
(Other advancement and regulation of commerce).....403	0	−2,735	2,370	−2,887	−4,014
(Community development).....451	0	−385	2,402	1,747	1,751
(Higher education).....502	0	−6	2,160	−1,166	3,754
(Health research and education) 552	0	−169	−98	−86	−137
(Veterans housing).....704	0	−7,469	−2,183	−7,660	−7,245
Total, Participation sales fund..	0	8,909	10,086	275	502
Total Federal funds Government National Mortgage Association.	BA	**5,009,092**	**2,044**	**8,100**	**7,800**
	0	596,942	−234,312	−390,517	−315,756
COMMUNITY PLANNING AND DEVELOPMENT					
Federal Funds					
General and special funds:					
Community development grants...451	BA	**50,000**	.....	**100,000**	[K]**65,000**
				[H]**200,000**	
Contract authority.....	BA	**1,788,000**	.....	**3,148,000**	[K]**3,435,000**
Liquidation of contract authority....		(1,788,000)	.....	(3,148,000)	[K](3,435,000)
	0	982,789	438,994	2,250,000	3,022,000
				[H]12,000	[H]90,000
Comprehensive planning grants...451	BA	**75,000**	.....	**62,500**	**25,000**
	0	93,837	19,651	100,000	63,000
Miscellaneous appropriations.....451	0	135,603	8,930	62,095	.....
Public enterprise funds:					
Rehabilitation loan fund.....451	BA	**50,000**	.....	**50,000**	.....
	0	23,213	19,141	33,563	.....

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—Continued					
COMMUNITY PLANNING AND DEVELOPMENT—Continued					
Federal Funds—Continued					
Public enterprise funds:—Continued					
Urban renewal programs.....451					
Liquidation of contract authority....		(702,493)	(300,000)	(1,000,000)	(703,007)
	0	1,188,271	314,690	975,000	650,000
Total Federal funds Community	BA	**1,963,000**	.....	**3,560,500**	**3,525,000**
Planning and Development.	0	2,423,713	801,406	3,432,658	3,825,000
NEW COMMUNITIES ADMINISTRATION					
Federal Funds					
General and special funds:					
New community assistance grants 451	0	1,233	200	3,000	5,000
Public enterprise funds:					
New communities fund: 451					
Authority to spend public debt	BA	**8,441**	**21,021**	**115,773**	**82,559**
receipts, Permanent.	0	13,932	20,929	113,395	82,680
Total Federal funds New	BA	**8,441**	**21,021**	**115,773**	**82,559**
Communities Administration.	0	15,165	21,129	116,395	87,680
FEDERAL INSURANCE ADMINISTRATION					
Federal Funds					
Public enterprise funds:					
National insurance development fund 403	0	–752	–897	1,845	3,686
National flood insurance fund.....453	BA	**75,000**	**18,750**	**75,000**	**[K]108,000**
	0	95,282	22,215	179,489	201,183
Total Federal funds Federal	BA	**75,000**	**18,750**	**75,000**	**108,000**
Insurance Administration.	0	94,530	21,318	181,334	204,869
CONSUMER AFFAIRS AND REGULATORY FUNCTIONS					
Federal Funds					
General and special funds:					
Housing counseling assistance.....506	BA	.....	.....	**3,000**	**5,000**
	0	11	.....	1,000	4,000
Mobile home standards program..403	BA	**1,000**	.....	**1,000**	.....
	0	.....	.....	990	485
Interstate land sales: Permanent,	BA	**329**	**129**	**365**	**365**
indefinite.....403	0	446	–33	460	365
Total Federal funds Consumer	BA	**1,329**	**129**	**4,365**	**5,365**
Affairs and Regulatory	0	457	–33	2,450	4,850
Functions.					
POLICY DEVELOPMENT AND RESEARCH					
Federal Funds					
General and special funds:					
Research and technology.....451	BA	**53,000**	**15,500**	**55,000**	**60,000**
	0	54,081	11,621	59,000	60,000

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—Continued					
DEPARTMENTAL MANAGEMENT					
Federal Funds					
General and special funds:					
Salaries and expenses, Department of Housing and Urban Development:					
(Other advancement and regulation of commerce).....403	BA	**4,323**	**595**	**6,474**	**7,029**
				[p]**273**	
	O	4,452	490	6,773	6,950
(Community development).....451	BA	**119,305**	**30,475**	**120,940**	**131,436**
				[p]**4,473**	
	O	122,873	25,090	125,893	129,821
(Disaster relief and insurance) 453	BA	.....	.....	**7,159**	**9,606**
				[p]**279**	
	O	.....	.....	7,467	9,497
(Public assistance and other income supplements).....604	BA	**36,238**	**9,353**	**48,852**	**77,163**
				[p]**1,679**	
	O	37,320	7,700	50,728	76,291
(Federal law enforcement and prosecution).....751	BA	**12,066**	**3,048**	**11,945**	**15,290**
				[p]**524**	
	O	12,426	2,509	12,518	14,987
Total, Salaries and expenses, Department of Housing and Urban Development.	BA	**171,932**	**43,471**	**202,598**	**240,524**
	O	177,071	35,789	203,379	237,546
Urban transportation.....404	O	362	24	1,568	.....
Low income-housing demonstration program.....451	O	–78	.....	1,312	.....
Intragovernmental funds:					
Working capital fund.....451	O	–719	1,210	–824	–378
Consolidated working fund.....451	O	–522	–788	1,516	.....
Total Federal funds Departmental Management.	BA	**171,932**	**43,471**	**202,598**	**240,524**
	O	176,114	36,235	206,951	237,168
SUMMARY					
Federal funds:					
(As shown in detail above).....	BA	**28,498,939**	**403,837**	**20,519,872**	**29,680,829**
	O	7,080,422	1,397,845	7,676,484	8,725,085
Deductions for offsetting receipts:					
Proprietary receipts from the public.....450	BA	*–1,184*	*–743*	*–3,385*	*–3,385*
	O				
902	BA	*–105*	*–13*	*–48*	*–48*
	O				
Total Department of Housing and Urban Development.	BA	**28,497,650**	**403,081**	**20,516,439**	**29,677,396**
	O	7,079,133	1,397,089	7,673,051	8,721,652

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DEPARTMENT OF THE INTERIOR					
LAND AND WATER RESOURCES					
Bureau of Land Management					
Federal Funds					
General and special funds:					
Management of lands and resources 302	BA	**215,463**	**79,734**	**223,829** **[A]17,400** **[D]4,908**	**237,711**
	O	181,311	53,149	226,212 [A]16,440	233,740 [A]960
Acquisition, construction and maintenance 302	BA	**9,404**	**2,275**	**10,160**	**17,558**
Contract authority	BA	**−4,900**	.....	**−13,900**	.....
Liquidation of contract authority		(3,183)	(1,121)	(5,000)	(1,924)
	O	12,456	3,918	14,900	17,747
Payments in lieu of taxes 852	BA	.....	.....	..... **[A]200** **[A]99,800**	**100,000**
	O	.....	.....	..... [A]100,000	100,000
Oregon and California grant lands: Indefinite 302	BA	**25,104**	**19,326**	**41,250**	**45,000**
	O	30,935	10,500	28,900	41,000
Range improvements: Indefinite 302	BA	**5,435**	**600**	**7,370**	**8,750**
	O	3,625	959	7,600	8,500
Recreation development and operation of recreation facilities: Indefinite 302	BA	**300**	**100**	**300**	**300**
	O	226	79	300	300
Service charges, deposits, and forfeitures: Indefinite 302	BA	.....	.....	.....	**11,250**
	O	.....	.....	.....	10,500
Miscellaneous permanent appropriations:					
(Conservation and land management): Permanent, indefinite 302	BA	**1,573**	**860**	**750**	**750**
	O	1,749	210	1,476	1,250
(Other general purpose fiscal assistance): Permanent, indefinite 852	BA	**172,870**	**139,357**	**140,050**	**265,400**
	O	172,858	140,058	139,424	265,378
Total, Miscellaneous permanent appropriations.	BA	**174,443**	**140,217**	**140,800**	**266,150**
	O	174,607	140,268	140,900	266,628
Intragovernmental funds:					
Working capital fund 302	BA	.....	.....	.....	**2,000**
Total Federal funds Bureau of Land Management.	BA	**425,249**	**242,252**	**532,117**	**688,719**
	O	403,160	208,873	535,252	679,375
Trust Funds					
Miscellaneous trust funds: Indefinite 302	BA	.....	.....	**100**	**100**
Permanent, indefinite	BA	**421**	**233**	**600**	**600**
	O	411	160	650	650
Bureau of Reclamation					
Federal Funds					
General and special funds:					
General investigations 301	BA	**20,892**	**6,794**	**24,762**	**23,170**
	O	20,352	5,237	26,000	22,643

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DEPARTMENT OF THE INTERIOR—Continued					
LAND AND WATER RESOURCES—Continued					
Bureau of Reclamation—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Loan program 301	BA	**22,665**	**9,205**	**27,495**	**19,025**
	O	15,214	6,168	31,000	19,024
Recreational and fish and wildlife facilities 303	BA	**2,992**	**837**	**4,131**	**4,015**
	O	1,931	854	4,000	3,014
Colorado River Basin Salinity control projects 301	BA	**19,670**	**7,130**	**44,680**	**23,875**
	O	25,240	14,851	43,000	22,365
Emergency fund 301	BA	**1,000**	**200**	**1,000**	**1,000**
	O	976	18	1,000	1,000
Construction and rehabilitation 301	BA	**327,308**	**298,834**	**548,811**	**[K]399,800**
	O	318,432	119,695	680,500	399,388
Operation and maintenance 301	BA	**132,162**	**34,017**	**143,000**	**157,400**
	O	115,372	28,696	144,000	157,304
General administrative expenses 301	BA	**21,840**	**5,800**	**22,600** [D]**900**	**24,445**
	O	21,719	6,176	23,364	23,543
Miscellaneous permanent appropriations: Permanent 852	BA	**600**	**600**	**600**	**600**
Permanent, indefinite	BA	**2,117**	**669**	**2,400**	**2,100**
	O	2,618	1,133	3,000	2,700
Public enterprise funds:					
Colorado River Basin project 301	BA	**29,205**	**8,810**	**73,420**	**104,165**
Contract authority, Permanent	BA	**19,500**	.....	.....	.....
Liquidation of contract authority		(22,440)	(1,500)	(20,600)	.....
	O	41,909	7,895	98,000	90,649
Upper Colorado River storage project 301	BA	**38,160**	**15,562**	**55,200**	**80,845**
	O	1,356	10,260	48,000	49,611
Continuing fund for emergency expenses, Fort Peck project 301	O	−2,897	−608	.....	.....
Intragovernmental funds:					
Consolidated working fund 301	O	−1,562	250	.....	.....
Total Federal funds Bureau of Reclamation.	BA	**638,111**	**388,458**	**948,999**	**840,440**
	O	560,660	200,625	1,101,864	791,241
Trust Funds					
Reclamation trust funds: Permanent, indefinite 301	BA	**14,244**	**3,373**	**31,500**	**18,600**
	O	12,833	3,686	28,000	17,500
Office of Water Research and Technology					
Federal Funds					
General and special funds:					
Salaries and expenses 301	BA	**18,180**	**4,411**	**18,923** [D]**107**	**[K]21,112**
	O	23,276	6,105	20,178	18,712

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DEPARTMENT OF THE INTERIOR—Continued					
LAND AND WATER RESOURCES—Continued					
Office of Water Research and Technology—Continued					
Federal Funds—Continued					
Intragovernmental funds:					
Consolidated working fund 306	0	–438	373	147	.....
Total Federal funds Office of Water Research and Technology.	BA	**18,180**	**4,411**	**19,030**	**21,112**
	0	22,838	6,478	20,325	18,712
Total Federal funds Land and Water Resources.	BA	**1,081,540**	**635,121**	**1,500,146**	**1,550,271**
	0	986,658	415,976	1,657,441	1,489,328
Total trust funds Land and Water Resources.	BA	**14,665**	**3,606**	**32,200**	**19,300**
	0	13,244	3,846	28,650	18,150
FISH AND WILDLIFE AND PARKS					
Bureau of Outdoor Recreation					
Federal Funds					
General and special funds:					
Salaries and expenses 303	BA	**5,889**	**1,496**	**5,961**	**6,857**
				[A]1,000	
				[D]228	
	0	5,694	1,467	6,181	6,857
				[A]1,000	
Land and water conservation fund 303	BA	**316,986**	**55,988**	**397,056**	**600,000**
				[B]160,743	
Contract authority, Permanent	BA	**30,000**	.....	**30,000**	**30,000**
	0	275,946	85,627	422,000	443,000
				[B]36,000	[B]80,000
Intragovernmental funds:					
Consolidated working fund 303	0	–67	78	.....	.....
Total Federal funds Bureau of Outdoor Recreation.	BA	**352,875**	**57,484**	**594,988**	**636,857**
	0	281,573	87,172	465,181	529,857
Trust Funds					
Donations: Permanent, indefinite 303	BA	**1**	.....	.....	.....
United States Fish and Wildlife Service					
Federal Funds					
General and special funds:					
Resource management.....303	BA	**120,750**	**29,482**	**128,861**	**[K]155,628**
				[B]8,025	
				[C]429	
				[D]3,756	
	0	115,070	29,761	128,885	148,127
				[B]8,025	
Construction and anadromous fish 303	BA	**19,311**	**1,060**	**17,211**	**[K]12,692**
				[B]264,957	
	0	12,038	1,953	18,532	19,278
				[B]25,000	[B]25,000
Migratory bird conservation account 303	BA	**7,500**	.....	**4,000**	.....
					[J]10,000
Permanent, indefinite	BA	**13,930**	**2,514**	**12,000**	**12,000**
	0	16,015	6,290	14,750	12,000
					[J]10,000
Development and operation of recreation facilities.....303	BA	.....	.....	.....	**[K]150**
	0	.....	.....	.....	150

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF THE INTERIOR—Continued					
FISH AND WILDLIFE AND PARKS—Continued					
United States Fish and Wildlife Service—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Miscellaneous permanent appropriations:					
(Recreational resources):	BA	**84,997**	**59**	**90,790**	**114,296**
Permanent, indefinite.....303	0	68,955	16,129	78,900	92,825
(Other general purpose fiscal assistance): Permanent, indefinite 852	BA	**4,837**	**1,217**	**4,300**	**4,400**
	0	4,424	477	7,000	6,000
Total, Miscellaneous permanent appropriations.	BA	**89,834**	**1,276**	**95,090**	**118,696**
	0	73,379	16,606	85,900	98,825
Intragovernmental funds:					
Consolidated working fund 303	0	270	421	700	800
Total Federal funds United States Fish and Wildlife Service.	BA	**251,325**	**34,332**	**534,329**	**309,166**
	0	216,772	55,031	281,792	314,180
Trust Funds					
Contributed funds: Permanent.....303	BA	**1,893**	**731**	**2,303**	**2,500**
	0	1,825	609	2,275	2,400
National Park Service					
Federal Funds					
General and special funds:					
Operation of the national park system.....303	BA	**255,203**	**80,498**	**276,345** **[B]13,730** **[C]4,228** **[D]4,920**	**323,147**
	0	248,148	78,713	285,680 [B]13,730	326,148
Construction 303	BA	**27,457**	**7,100**	**40,097** **[B]694,300**	**52,190**
	0	68,313	12,964	52,521 [B]64,000	51,666 [B]64,000
Road construction: 303					
Contract authority.....	BA	**–58,500**	.....	**–133,995**	.....
Liquidation of contract authority....		(40,115)	(9,900)	(21,800)	(30,198)
	0	40,969	9,262	22,943	30,241
Preservation of historic properties 303	BA	**24,666**	**6,040**	**21,490** **[A]1,500** **[D]140**	**6,589**
	0	17,291	5,011	26,624 [A]1,000	16,006 [A]500
Historic preservation fund.....303	BA	.....	.....	.....	**35,000**
	0	.....	.....	.....	15,262
John F. Kennedy Center for the Performing Arts.....303	BA	**2,645**	**741**	**3,072** **[C]7** **[D]21**	**3,783**
	0	2,534	875	3,019	3,681
Planning, development, and operation of recreation facilities 303	BA	**14,000**	**5,000**	**14,000**	**14,000**
	0	16,158	3,888	15,000	17,500

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DEPARTMENT OF THE INTERIOR—Continued					
FISH AND WILDLIFE AND PARKS—Continued					
National Park Service—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Miscellaneous permanent	BA	**419**	**363**	**320**	**500**
appropriations: Permanent, indefinite.....303	0	307	131	320	500
Intragovernmental funds:					
Consolidated working fund.....303	0	−1,875	789	.....	.....
Total Federal funds National Park Service.	BA	**265,890**	**99,742**	**940,175**	**435,209**
	0	391,845	111,633	484,837	525,504
Trust Funds					
Miscellaneous trust funds: Permanent 303	BA	**1,406**	**410**	**3,000**	**3,000**
	0	2,341	662	1,600	3,000
Total Federal funds Fish and Wildlife and Parks.	BA	**870,090**	**191,558**	**2,069,492**	**1,381,232**
	0	890,190	253,836	1,231,810	1,369,541
Total trust funds Fish and Wildlife and Parks.	BA	**3,300**	**1,141**	**5,303**	**5,500**
	0	4,166	1,271	3,875	5,400
ENERGY AND MINERALS					
Geological Survey					
Federal Funds					
General and special funds:					
Surveys, investigations and research 306	BA	**272,836**	**69,324**	**305,896** **[A]900** **[C]347** **[D]9,212**	**353,622**
	0	286,039	58,880	313,377 [A]900	352,115
Payment from proceeds, sale of water: Indefinite.....301	BA	**2**	**1**	.....	.....
Intragovernmental funds:					
Consolidated working fund.....306	0	−6,864	5,139	5,000	.....
Total Federal funds Geological Survey.	BA	**272,838**	**69,325**	**316,355**	**353,622**
	0	279,175	64,019	319,277	352,115
Mining Enforcement and Safety Administration					
Federal Funds					
General and special funds:					
Salaries and expenses.....553	BA	**84,465**	**21,134**	**93,740** **[A]1,100** **[D]3,341**	**105,766**
	0	84,247	20,469	100,774 [A]1,065	105,222 [A]35
Intragovernmental funds:					
Consolidated working fund.....553	0	−72	38	.....	.....
Total Federal funds Mining Enforcement and Safety Administration.	BA	**84,465**	**21,134**	**98,181**	**105,766**
	0	84,175	20,507	101,839	105,257
Trust Funds					
Contributed funds.....554	0	−112	141	.....	.....

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DEPARTMENT OF THE INTERIOR—Continued					
ENERGY AND MINERALS—Continued					
Bureau of Mines					
Federal Funds					
General and special funds:					
Mines and minerals:					
(Energy)....305	BA	**61,826**	**15,439**	**65,298**	**63,322**
				[D]321	
	O	51,261	6,681	63,448	63,505
(Other natural resources)....306	BA	**96,992**	**23,871**	**99,167**	**97,207**
				[B]5,178	
				[D]1,711	
	O	83,613	23,931	100,503	101,221
				[B]4,378	[B]800
Total, Mines and minerals....	BA	**158,818**	**39,310**	**171,675**	**160,529**
	O	134,874	30,612	168,329	165,526
Miscellaneous appropriations....306	O	....	–5	200	200
Public enterprise funds:					
Helium fund: 306	BA			[H]–47,500	
Permanent....	BA	....	....	**47,500**	**47,500**
	O	–1,942	–248	312	1,980
Intragovernmental funds:					
Consolidated working fund....306	O	–2,222	751	1,688	1,500
Total Federal funds Bureau of Mines.	BA	**158,818**	**39,310**	**171,675**	**208,029**
	O	130,710	31,110	170,529	169,206
Trust Funds					
Contributed funds: Permanent, indefinite....306	BA	**657**	**427**	**600**	**800**
	O	794	279	600	800
Alaska Power Administration					
Federal Funds					
General and special funds:					
General investigations....301	BA	**602**	**198**	**749**	**864**
	O	605	157	820	864
Operation and maintenance....301	BA	**1,058**	**259**	**1,141**	**1,231**
	O	1,056	275	1,141	1,231
Intragovernmental funds:					
Consolidated working fund....301	O	–57	–7	88	5
Total Federal funds Alaska Power Administration.	BA	**1,660**	**457**	**1,890**	**2,095**
	O	1,604	425	2,049	2,100
Bonneville Power Administration					
Federal Funds					
Public enterprise funds:					
Bonneville Power Administration fund 301	O	–54,208	–35,696	–28,350	44,500
Southeastern Power Administration					
Federal Funds					
General and special funds:					
Operation and maintenance....301	BA	**1,000**	**257**	**1,076**	**1,143**
	O	802	197	1,074	1,141

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DEPARTMENT OF THE INTERIOR—Continued					
ENERGY AND MINERALS—Continued					
Southwestern Power Administration					
Federal Funds					
General and special funds:					
Construction.....301	BA	**680**	**125**	**896**	**4,312**
	O	749	73	959	4,312
Operation and maintenance.....301	BA	**6,080**	**1,874**	**7,707**	**8,193**
				[D]**106**	
	O	3,965	1,664	8,545	8,693
Continuing fund (special fund)....301	O	–65	.....	.....	.....
Total Federal funds Southwestern Power Administration.	BA	**6,760**	**1,999**	**8,709**	**12,505**
	O	4,649	1,737	9,504	13,005
Total Federal funds Energy and Minerals.	BA	**525,541**	**132,482**	**597,886**	**683,160**
	O	446,907	82,299	575,922	687,324
Total trust funds Energy and Minerals.	BA	**657**	**427**	**600**	**800**
	O	682	420	600	800
INDIAN AFFAIRS					
Bureau of Indian Affairs					
Federal Funds					
General and special funds:					
Operation of Indian programs:					
(Conservation and land management).....302	BA	**36,012**	**8,325**	**38,681**	**49,788**
				[A]**6,000**	
				[C]**129**	
				[D]**845**	
	O	33,531	6,124	39,680	48,451
				[A]5,800	[A]200
(Area and regional development) 452	BA	**287,021**	**89,502**	**315,927**	**339,086**
				[A]**4,040**	
				[C]**3,664**	
				[D]**1,134**	
	O	265,901	68,795	321,087	329,417
				[A]3,400	[A]640
(Elementary, secondary, and vocational education).....501	BA	**243,085**	**79,380**	**248,105**	**265,866**
				[C]**1,635**	
				[D]**6,626**	
	O	227,690	64,970	256,418	259,330
Total, Operation of Indian programs.	BA	**566,118**	**177,207**	**626,786**	**654,740**
	O	527,122	139,889	626,385	638,038
Construction.....452	BA	**80,672**	**13,550**	**77,101**	**87,247**
	O	58,208	19,441	72,332	89,445
Road construction.....452	BA	.....	.....	**39,075**	**70,335**
Liquidation of contract authority....		(76,705)	(28,000)	(36,795)	(22,912)
	O	61,872	20,105	89,895	74,368
Miscellaneous permanent appropriations:					
(Area and regional development): Permanent, indefinite.....452	BA	**15,143**	**3,430**	**12,666**	**15,430**
	O	14,728	4,374	12,800	14,600

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DEPARTMENT OF THE INTERIOR—Continued					
INDIAN AFFAIRS—Continued					
Bureau of Indian Affairs—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Miscellaneous permanent appropriations:—Continued					
(Other general government).....806	BA	**71,600**	**40,000**	**30,000**	**30,000**
Permanent, indefinite.....	BA	**555**	**98**	**200**	**200**
	O	73,001	40,137	30,200	30,200
Total, Miscellaneous permanent appropriations.	BA	**87,298**	**43,528**	**42,866**	**45,630**
	O	87,729	44,511	43,000	44,800
Public enterprise funds:					
Revolving fund for loans.....452	BA	**3,000**	.....	.....	.....
	O	6,859	1,717	14,673	14,200
Indian loan guaranty and insurance fund.....452	BA	**10,000**	.....	**15,000**	.....
	O	858	212	6,600	6,200
Liquidation of Hoonah Housing Project revolving fund.....452	O	2	–1	13	13
Intragovernmental funds:					
Consolidated working fund 452	O	–4,852	–13,402	.....	.....
Total Federal funds Bureau of Indian Affairs.	BA	**747,088**	**234,285**	**800,828**	**857,952**
	O	737,798	212,472	852,898	867,064
Trust Funds					
Miscellaneous trust funds:					
(Area and regional development)..452	BA	**1,938**	**292**	**3,000**	**3,000**
Current, indefinite.....	BA	**22,200**	**5,990**	**25,400**	**23,000**
Permanent, indefinite	BA	**216,575**	**52,371**	**238,689**	**240,000**
	O	160,172	61,657	165,983	183,000
(Other general government): Permanent.....806	BA	**8,745**	**40,000**	**30,000**	**30,000**
Permanent, indefinite	BA	**1,714**	**832**	**2,000**	**94,000**
	O	4,905	43,205	37,317	124,000
Total, Miscellaneous trust funds.	BA	**251,172**	**99,485**	**299,089**	**390,000**
	O	165,077	104,862	203,300	307,000
Total trust funds Bureau of Indian Affairs.	BA	**251,172**	**99,485**	**299,089**	**390,000**
	O	165,077	104,862	203,300	307,000
Total Federal funds Indian Affairs.	BA	**747,088**	**234,285**	**800,828**	**857,952**
	O	737,798	212,472	852,898	867,064
Total trust funds Indian Affairs.	BA	**251,172**	**99,485**	**299,089**	**390,000**
	O	165,077	104,862	203,300	307,000
TERRITORIAL AFFAIRS					
Office of Territorial Affairs					
Federal Funds					
General and special funds:					
Administration of territories.....806	BA	**27,753**	**23,804**	**23,846** [A]**19,700** [D]**26**	**21,001**
	O	21,084	16,688	33,926 [A]16,000	20,027 [A]3,700

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DEPARTMENT OF THE INTERIOR—Continued					
TERRITORIAL AFFAIRS—Continued					
Office of Territorial Affairs—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Trust territory of the Pacific Islands 806	BA	**89,438**	**15,138**	**79,077** **[B]14,444** **[D]180**	**[K]86,625** **[I]2,614** **[J]9,458**
	0	86,389	21,248	82,175 [B]9,600	80,537 [B]4,844 [I]2,614 [J]4,000
Micronesian claims fund, Trust Territory of the Pacific Islands.806	BA	**10,000**	**8,600**	.....	.....
	0	9,517	7,073	8,548	.....
Office of the Comptroller for Guam: Permanent, indefinite 806	BA	**600**	.....	**441**	**336**
	0	374	56	680	680
Internal revenue collections for the Virgin Islands: Permanent, indefinite.....852	BA	**17,284**	**4,726**	**19,000**	**20,000**
	0	33,368	3,495	18,794	20,000
Total Federal funds Office of Territorial Affairs.	BA	**145,075**	**52,268**	**156,714**	**140,034**
	0	150,732	48,560	169,723	136,402
SECRETARIAL OFFICES					
Office of the Solicitor and Office of the Secretary					
Federal Funds					
General and special funds:					
Office of the Solicitor, salaries and expenses.....306	BA	**11,598**	**2,782**	**12,371** **[D]550**	**14,054**
	0	11,763	2,710	12,898	13,654
Office of the Secretary, salaries and expenses.....306	BA	**19,256**	**4,376**	**20,620** **[A]277** **[D]750**	**23,161**
	0	17,945	5,058	20,620 [A]263	22,512 [A]14
Departmental operations.....306	BA	**12,366**	**2,570**	**12,926** **[A]730** **[D]350**	**13,464**
	0	11,296	3,811	13,036 [A]730	12,946
Salaries and expenses (special foreign currency program).....306	BA	**1,494**	**75**	**907**	**1,000**
	0	26	1	1,800	1,200
River basins commissions and comprehensive studies 301	BA				**[J]7,660**
	0				[J]7,660
Litter prevention and cleanup: Permanent, indefinite 304	BA	**9**	**4**	.....	.....
	0	4	2	.....	.....
Intragovernmental funds:					
Working capital fund.....306	0	–172	178	.....	.....
Consolidated working fund, Office of the Secretary.....306	0	8	217	.....	.....
Total Federal funds Office of the Solicitor and Office of the Secretary.	BA	**44,723**	**9,807**	**49,481**	**59,339**
	0	40,870	11,977	49,347	57,986

See footnotes at end of table.

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF THE INTERIOR—Continued					
SECRETARIAL OFFICES—Continued					
Office of the Solicitor and Office of the Secretary—Continued					
Trust Funds					
River basin commissions and comprehensive studies trust fund: Indefinite 301	BA				[1]8,414
	O				[1]8,431
Total Federal funds Secretarial Offices.	BA	**44,723**	**9,807**	**49,481**	**59,339**
	O	40,870	11,977	49,347	57,986
Total trust funds Secretarial Offices.	BA	.....	.....	.....	**8,414**
	O	.....	.....	.....	8,431
SUMMARY					
Federal funds:					
(As shown in detail above)	BA	**3,414,057**	**1,255,521**	**5,174,547**	**4,671,988**
	O	3,253,155	1,025,120	4,537,141	4,607,645
Deductions for offsetting receipts:					
Proprietary receipts from the public 250	BA, O	*–158*	*–9*	*–3*	.....
300	BA, O	*–623,774*	*–177,067*	*–668,140*	*–737,054*
301	BA, O	*–237,171*	*–62,967*	*–263,184*	*–271,718*
450	BA, O	*–12,813*	*–3,438*	*–13,166*	*–15,930*
500	BA, O	*–81*	*–9*	*–70*	*–70*
800	BA, O	*–704*	*–184*	*–900*	*–1,000*
806	BA, O	*240*	.....	.....	.....
902	BA, O	*–4,343*	*–794*	*–4,422*	*–4,820*
Total Federal funds	BA	**2,535,253**	**1,011,053**	**4,224,662**	**3,641,396**
	O	2,374,351	780,652	3,587,256	3,577,053
Trust funds:					
(As shown in detail above)	BA	**269,794**	**104,659**	**337,192**	**424,014**
	O	183,169	110,399	236,425	339,781
Deductions for offsetting receipts:					
Proprietary receipts from the public 301	BA, O	*–14,244*	*–3,373*	*–31,500*	*–19,979*
302	BA, O	*–422*	*–233*	*–675*	*–675*
303	BA, O	*–1,893*	*–731*	*–2,303*	*–2,500*
306	BA, O	*–657*	*–427*	*–600*	*–800*
452	BA, O	*–112,613*	*–73,302*	*–114,009*	*–107,725*
806	BA, O	.....	.....	*–2,000*	*–94,000*

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF THE INTERIOR—Continued					
SUMMARY—Continued					
Trust funds:—Continued					
902	BA	*–66,482*	*–25,371*	*–31,382*	*–31,382*
	O				
Total trust funds	BA	**73,483**	**1,222**	**154,723**	**166,953**
	O	–13,142	6,962	53,956	82,720
Interfund transactions 301	BA				**–7,035**
	O				
452	BA	**–58,341**		**–119,805**	**–125,000**
	O				
806	BA	**–9,390**		**–30,000**	**–30,000**
	O				
Total Department of the Interior	BA	**2,541,005**	**1,012,275**	**4,229,580**	**3,646,314**
	O	2,293,478	787,614	3,491,407	3,497,738
DEPARTMENT OF JUSTICE					
GENERAL ADMINISTRATION					
Federal Funds					
General and special funds:					
Salaries and expenses 751	BA	**21,612**	**5,447**	**20,400** **[A]1,595** **[C]27** **[D]873**	**26,231**
	O	23,187	5,058	21,606 [A]1,595	26,529
Intragovernmental funds:					
Consolidated working fund 751	O	–226	267		
Working capital fund 751	BA			**[A]2,975**	
	O	–1,631	–60		
Total Federal funds General Administration.	BA	**21,612**	**5,447**	**25,870**	**26,231**
	O	21,330	5,265	23,201	26,529
LEGAL ACTIVITIES					
Federal Funds					
General and special funds:					
Salaries and expenses, General Legal Activities 751	BA	**62,259**	**15,573**	**64,090** **[A]8,273** **[D]2,860**	**75,273**
	O	63,251	16,494	66,211 [A]8,264	74,659 [A]9
Salaries and expenses, Antitrust Division 751	BA	**22,239**	**5,834**	**24,000** **[A]1,670** **[D]1,036**	**29,785**
	O	21,290	5,987	24,172 [A]1,618	28,899 [A]52
Salaries and expenses, United States Attorneys and Marshals 751	BA	**146,532**	**38,398**	**160,890** **[A]957** **[C]4** **[D]6,119**	**178,291**
	O	146,138	38,732	164,081 [A]957	175,557
Fees and expenses of witnesses 751	BA	**16,830**	**4,090**	**19,177**	**20,222**
	O	14,687	3,645	18,794	19,839

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DEPARTMENT OF JUSTICE—Continued					
LEGAL ACTIVITIES—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Salaries and expenses, Community Relations Service 751	BA	**4,034**	**1,020**	**4,500** **[D]175**	**5,192**
	0	4,088	1,148	4,610	5,114
Total Federal funds Legal Activities.	BA	**251,894**	**64,915**	**293,751**	**308,763**
	0	249,454	66,006	288,707	304,129
FEDERAL BUREAU OF INVESTIGATION					
Federal Funds					
General and special funds:					
Salaries and expenses 751	BA	**485,950**	**128,741**	**493,977** **[D]19,400**	**529,454**
	0	468,764	130,177	514,932	529,459
IMMIGRATION AND NATURALIZATION SERVICE					
Federal Funds					
General and special funds:					
Salaries and expenses 751	BA	**214,609**	**54,690**	**234,000** **[A]2,100** **[D]8,515**	**254,490**
	0	200,956	58,920	240,048 [A]2,087	253,325 [A]13
DRUG ENFORCEMENT ADMINISTRATION					
Federal Funds					
General and special funds:					
Salaries and expenses 751	BA	**155,001**	**43,388**	**161,175** **[A]2,019** **[D]5,069**	**181,241**
	0	146,339	43,927	173,630 [A]1,877	183,524 [A]142
FEDERAL PRISON SYSTEM					
Federal Funds					
General and special funds:					
Salaries and expenses, Bureau of Prisons 753	BA	**195,938**	**50,570**	**208,160** **[A]3,090** **[C]1,082** **[D]5,705** **[E]163**	**233,640**
	0	183,921	55,186	215,632 [A]2,997	232,277 [A]93
National Institute of Corrections...754	BA	.....	.....	**4,997** **[D]46**	**9,924**
	0	.....	.....	2,806	7,598
Buildings and facilities....753	BA	**12,560**	**4,395**	**56,980** **[A]22,000**	**67,588**
	0	30,554	5,655	39,187 [A]1,500	48,963 [A]11,200
Support of United States prisoners 753	BA	**31,875**	**8,466**	**31,875**	**35,063**
	0	30,132	7,577	31,042	34,535

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DEPARTMENT OF JUSTICE—Continued					
FEDERAL PRISON SYSTEM—Continued					
Federal Funds—Continued					
Intragovernmental funds:					
Federal Prison Industries, Incorporated 753	O	–5,933	–4,130	.....	.....
Limitation on administrative expenses.		(1,937)	(296)	(1,618)	(1,947)
Limitation on vocational expenses.		(5,248)	(1,267)	(4,829)	(4,381)
Total Federal funds Federal Prison System.	BA	**240,373**	**63,431**	**334,098**	**346,215**
	O	238,674	64,288	293,164	334,666
Trust Funds					
Commissary funds, Federal prisons (trust revolving fund) 753	O	–332	51	.....	.....
LAW ENFORCEMENT ASSISTANCE ADMINISTRATION					
Federal Funds					
General and special funds:					
Salaries and expenses 754	BA	**809,638**	**204,960**	**753,000** [D]**1,442**	**704,500**
	O	920,555	213,082	904,428	819,086
SUMMARY					
Federal funds:					
(As shown in detail above)	BA	**2,179,077**	**565,572**	**2,334,416**	**2,350,894**
	O	2,246,072	581,665	2,442,074	2,450,873
Deductions for offsetting receipts:					
Proprietary receipts from the public 750	BA, O	*–4,154*	*–30,798*	*–6,007*	*–6,047*
902	BA, O	*–11*	*–284*	*–10*	*–10*
Total Federal funds	BA	**2,174,912**	**534,490**	**2,328,399**	**2,344,837**
	O	2,241,907	550,583	2,436,057	2,444,816
Trust funds:					
(As shown in detail above)	O	–332	51	.....	.....
Total Department of Justice	BA	**2,174,912**	**534,490**	**2,328,399**	**2,344,837**
	O	2,241,575	550,634	2,436,057	2,444,816
DEPARTMENT OF LABOR					
EMPLOYMENT AND TRAINING ADMINISTRATION					
Federal Funds					
General and special funds:					
Program administration 504	BA	**68,261**	**17,291**	**69,774** [D]**2,051**	[K]**73,962**
	O	65,977	15,316	75,860	78,024
Employment and training assistance 504	BA	**2,916,820**	**597,500**	**3,311,830**	[K]**2,616,330** [I]**525,000**
	O	3,157,525	1,057,962	3,212,000	2,616,330 [I]525,000
Community service employment for older Americans 504	BA	**85,900**	.....	**90,600**	**22,650**
	O	46,469	10,756	64,474	90,844
Temporary employment assistance 504	BA	**2,825,000**	.....	**2,384,000**	.....
	O	1,887,327	519,058	2,358,297	1,000,000

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF LABOR—Continued					
EMPLOYMENT AND TRAINING ADMINISTRATION—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Federal unemployment benefits and allowances 603	BA	**410,000**	**95,000**	**860,000**	**1,200,000**
	O	1,892,173	139,928	860,000	1,200,000
Grants to States for unemployment insurance and employment services 504	BA	**81,300**	**20,300**	**89,100**	**53,600**
	O	181,831	−26,302	98,558	53,600
Advances to the unemployment trust fund and other funds: Indefinite 603	BA	**5,000,000**	.....	**5,000,000**	.....
	O	7,883,231	1,110,768	4,509,464	1,800,000
Intragovernmental funds:					
Consolidated working fund 504	O	4,483	−5,134	.....	.....
Total Federal funds Employment and Training Administration.	BA	**11,387,281**	**730,091**	**11,807,355**	**4,491,542**
	O	15,119,016	2,822,352	11,178,653	7,363,798
Trust Funds					
Gifts and bequests, National Commission for Manpower Policy: Permanent, indefinite 504	BA	**62**	**−8**	**100**	**100**
	O	15	10	183	100
Unemployment trust fund:					
(Training and employment): Permanent, indefinite 504	BA	**512,720**	**124,334**	**547,036**	**639,284**
	O	365,352	175,091	537,578	639,284
(Unemployment insurance): Permanent, indefinite 603	BA	**15,700,760**	**3,254,864**	**15,152,964**	**16,560,716**
	O	17,555,061	3,368,753	14,862,422	12,660,716
Total, Unemployment trust fund	BA	**16,213,480**	**3,379,198**	**15,700,000**	**17,200,000**
	O	17,920,413	3,543,844	15,400,000	13,300,000
Total trust funds Employment and Training Administration.	BA	**16,213,542**	**3,379,190**	**15,700,100**	**17,200,100**
	O	17,920,428	3,543,854	15,400,183	13,300,100
LABOR-MANAGEMENT SERVICES ADMINISTRATION					
Federal Funds					
General and special funds:					
Salaries and expenses 505	BA	**45,885**	**11,464**	**48,319** **[A]1,435** **[D]1,643**	**56,199**
	O	37,065	10,297	47,746 [A]1,200	53,603 [A]235
EMPLOYMENT STANDARDS ADMINISTRATION					
Federal Funds					
General and special funds:					
Salaries and expenses 505	BA	**87,407**	**22,621**	**92,952** **[A]2,955** **[D]3,237**	**105,809**
	O	83,843	20,673	96,189 [A]2,955	105,809
Special benefits:					
(General retirement and disability insurance) 601	BA	**22,141**	**5,566**	**29,542**	**27,035**
	O	14,595	4,841	29,542	27,035

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF LABOR—Continued					
EMPLOYMENT STANDARDS ADMINISTRATION—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Special benefits:—Continued					
(Federal employee retirement and disability).....602	BA	**275,959**	**75,234**	**288,276**	**292,325**
				[A]**19,131**	
	O	226,624	65,768	288,276	292,325
				[A]19,131	
Total, Special benefits	BA	**298,100**	**80,800**	**336,949**	**319,360**
	O	241,219	70,609	336,949	319,360
Total Federal funds Employment Standards Administration.	BA	**385,507**	**103,421**	**436,093**	**425,169**
	O	325,062	91,282	436,093	425,169
Trust Funds					
Special workers' compensation expenses (permanent): Permanent 601	BA	**4,313**	**72**	**3,916**	**4,417**
	O	4,082	1,101	3,317	3,772
OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION					
Federal Funds					
General and special funds:					
Salaries and expenses 553	BA	**117,181**	**29,400**	**130,333**	**134,640**
	O	109,073	31,775	127,920	132,300
Intragovernmental funds:					
Consolidated working fund 553	O	255	−1,045	670	.....
Total Federal funds Occupational Safety and Health Administration.	BA	**117,181**	**29,400**	**130,333**	**134,640**
	O	109,328	30,730	128,590	132,300
BUREAU OF LABOR STATISTICS					
Federal Funds					
General and special funds:					
Salaries and expenses 505	BA	**65,846**	**16,590**	**73,018**	**84,366**
				[D]**2,249**	
	O	58,494	15,933	73,885	82,788
Intragovernmental funds:					
Consolidated working fund 505	O	−1,157	819	.....	.....
Total Federal funds Bureau of Labor Statistics.	BA	**65,846**	**16,590**	**75,267**	**84,366**
	O	57,337	16,752	73,885	82,788
Trust Funds					
Special statistical work 505	O	1	.....	.....	.....
DEPARTMENTAL MANAGEMENT					
Federal Funds					
General and special funds:					
Salaries and expenses 505	BA	**38,240**	**8,674**	**49,182**	[K]**58,638**
				[D]**2,152**	
	O	34,425	15,219	51,000	58,341
Special foreign currency program.505	BA	**70**	.....	**70**	**70**
	O	128	15	163	75
Intragovernmental funds:					
Working capital fund.....505	O	−1,138	−831	−110	−110

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DEPARTMENT OF LABOR—Continued					
DEPARTMENTAL MANAGEMENT—Continued					
Federal Funds—Continued					
Intragovernmental funds:—Continued					
Miscellaneous consolidated working funds.....505	0	819	–170	.....	.....
Total Federal funds	BA	**38,310**	**8,674**	**51,404**	**58,708**
Departmental Management.	0	34,234	14,233	51,053	58,306
SUMMARY					
Federal funds:					
(As shown in detail above).....	BA	**12,040,010**	**899,640**	**12,551,849**	**5,250,624**
	0	15,682,042	2,985,646	11,917,220	8,116,199
Deductions for offsetting receipts:					
Proprietary receipts from the public.....500	BA, 0	*–604*	*–100*	*–685*	*–685*
600	BA, 0	*–152*	*–61*	*–152*	*–152*
603	BA, 0	*29*	.....	.....	.....
902	BA, 0	*–301*	*–187*	*–301*	*–301*
Total Federal funds.....	BA	**12,038,982**	**899,292**	**12,550,711**	**5,249,486**
	0	15,681,014	2,985,298	11,916,082	8,115,061
Trust funds:					
(As shown in detail above).....	BA	**16,217,855**	**3,379,262**	**15,704,016**	**17,204,517**
	0	17,924,511	3,544,955	15,403,500	13,303,872
Deductions for offsetting receipts:					
Proprietary receipts from the public.....504	BA, 0	*–62*	*8*	.....	.....
Total trust funds.....	BA	**16,217,793**	**3,379,270**	**15,704,016**	**17,204,517**
	0	17,924,449	3,544,963	15,403,500	13,303,872
Interfund transactions.....603	BA, 0	**–7,878,231**	**–625,000**	**–3,851,464**	**–1,800,000**
Total Department of Labor.....	BA	**20,378,544**	**3,653,562**	**24,403,263**	**20,654,003**
	0	25,727,232	5,905,261	23,468,118	19,618,933
DEPARTMENT OF STATE					
ADMINISTRATION OF FOREIGN AFFAIRS					
Federal Funds					
General and special funds:					
Salaries and expenses.....152	BA	**432,400**	**121,600**	**539,800** [C]**137** [D]**7,063**	[K]**597,800**
	0	366,556	78,731	560,916	594,326
Representation allowances.....152	BA	**1,700**	**525**	**2,000**	[K]**2,500**
	0	1,557	678	1,920	2,350
Acquisition, operation, and maintenance of buildings abroad 152	BA	**29,942**	**8,486**	**67,200** [D]**152**	[K]**103,101**
	0	33,670	1,260	38,536	75,805

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DEPARTMENT OF STATE—Continued					
ADMINISTRATION OF FOREIGN AFFAIRS—Con.					
Federal Funds—Continued					
General and special funds:—Continued					
Acquisition, operation, and maintenance of buildings abroad (special foreign currency program) 152	BA	**18,785**	**800**	**5,535**	[K]**7,520**
	O	6,944	1,741	10,417	10,069
Emergencies in the diplomatic and consular service 152	BA	**2,100**	**600**	**2,100**	[K]**2,600**
	O	1,897	411	2,270	2,450
Payment to the Foreign Service retirement and disability fund 152	BA	**8,055**	**1,590**	**8,055**	[K]**26,599**
				[A]**17,794**	
Permanent, indefinite	BA	**30,300**	.....	**57,100**	**66,000**
	O	38,355	1,590	65,155	92,599
				[A]17,794	
Payment to Conditional gift fund, general 152	BA	.....	**125**	.....	.....
	O	.....	125	.....	.....
Intragovernmental funds:					
Working capital fund 152	O	854	36	−171	−10
Consolidated working fund 152	O	−674	−55	.....	.....
Total Federal funds Administration of Foreign Affairs.	BA	**521,282**	**133,726**	**706,936**	**806,120**
	O	449,159	84,517	696,837	777,589
Trust Funds					
Foreign Service retirement and disability fund: Indefinite 602	BA			[A]**22,364**	
Permanent, indefinite	BA	**96,787**	**10,626**	**136,937**	**161,187**
	O	66,903	18,234	83,010	96,692
Miscellaneous trust funds: Permanent, indefinite 152	BA	**825**	**223**	**837**	**837**
	O	701	73	962	837
Total trust funds Administration of Foreign Affairs.	BA	**97,612**	**10,849**	**160,138**	**162,024**
	O	67,604	18,307	83,972	97,529
INTERNATIONAL ORGANIZATIONS AND CONFERENCES					
Federal Funds					
General and special funds:					
Contributions to international organizations 152	BA	**217,853**	**218,854**	**277,545**	[K]**337,104**
				[B]**74,458**	
	O	215,515	166,573	280,052	308,596
				[B]66,131	[B]8,327
Contributions for international peacekeeping activities 152	BA	**35,000**	.....	**40,000**	[K]**41,600**
				[H]**−12,000**	
	O	58,822	1,865	20,000	36,800
Missions to international organizations 152	BA	**9,139**	**2,723**	**9,350**	[K]**9,900**
				[D]**203**	
	O	8,497	1,982	9,840	10,090
International conferences and contingencies 152	BA	**7,140**	**1,775**	**7,035**	[K]**7,730**
	O	5,264	2,781	6,712	7,530

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF STATE—Continued					
INTERNATIONAL ORGANIZATIONS AND CONFERENCES—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
International trade negotiations ...152	BA	**2,856**	**739**	**3,500** **[D]73**	**[K]3,823**
	O	2,980	849	3,162	3,702
Total Federal funds	BA	**271,988**	**224,091**	**400,164**	**400,157**
International Organizations and Conferences.	O	291,078	174,050	385,897	375,045
Trust Funds					
Gifts and bequests, National Commission on Educational, Scientific, and Cultural Cooperation: Permanent, indefinite.....152	BA	**55**	**20**	**50**	**50**
	O	19	28	50	45
INTERNATIONAL COMMISSIONS					
Federal Funds					
General and special funds:					
International Boundary and Water Commission, United States and Mexico:					
Salaries and expenses 301	BA	**5,525**	**1,440**	**5,800** **[C]116** **[D]133**	**[K]6,333**
	O	5,484	1,349	6,117	6,333
Construction 301	BA	**8,365**	**830**	**3,919**	**[K]17,000**
	O	8,868	1,569	13,910	18,300
American sections, international commissions 301	BA	**1,609**	**464**	**1,840** **[D]55**	**[K]2,200**
	O	1,356	673	1,925	2,125
International fisheries commissions 302	BA	**4,760**	**2,019**	**5,500** **[D]51**	**[K]5,745**
	O	4,790	2,047	5,499	5,702
Total Federal funds	BA	**20,259**	**4,753**	**17,414**	**31,278**
International Commissions.	O	20,498	5,638	27,451	32,460
EDUCATIONAL EXCHANGE					
Federal Funds					
General and special funds:					
Mutual educational and cultural exchange activities.....153	BA	**55,325**	**10,097**	**58,500** **[D]519**	**[K]70,500**
	O	53,164	18,743	56,019	63,775
International educational exchange activities (special foreign currency program) 153	O	–10	.....	37	30
Center for Cultural and Technical Interchange Between East and West 153	BA	**9,000**	**2,350**	**10,000**	**[K]12,600**
	O	8,837	2,420	10,163	12,600
Preservation of ancient Nubian monuments (special foreign currency program).....153	O	.....	.....	13	10

See footnotes at end of table.

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF STATE—Continued					
EDUCATIONAL EXCHANGE—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Educational exchange fund, payments by Finland, World War I debt: Permanent, indefinite.....153	BA	**3,068**	.....	.....	.....
	O	2,920	52	506	.....
Total Federal funds Educational Exchange.	BA	**67,393**	**12,447**	**69,019**	**83,100**
	O	64,911	21,215	66,738	76,415
Trust Funds					
Miscellaneous trust funds: Permanent, indefinite.....153	BA	**311**	**46**	**225**	**225**
	O	206	106	236	254
OTHER					
Federal Funds					
General and special funds:					
Migration and refugee assistance 151	BA	**15,823**	**708**	**10,000** [B]**8,325** [D]**31**	[K]**24,554**
	O	12,340	4,104	15,590 [B]5,500	20,619 [B]2,825
Assistance to refugees from the Soviet Union and other communist countries in Eastern Europe.....151	BA	**15,000**	.....	**15,000**	.....
	O	29,849	4,795	14,672	450
Special assistance to refugees from Cambodia and Vietnam.....604	O	205,053	17,484	20,000	.....
International Center, Washington, D.C. (special fund): Permanent, indefinite.....152	BA	.....	.....	**1,422**	**3,254**
	O	146	104	2,456	2,507
Payment to the Republic of Panama: Permanent.....152	BA	**2,328**	.....	**2,328**	**2,328**
	O	2,328	.....	2,328	2,328
Eighth Pan-American games.....153	BA			[A]**6,000**	
	O			[A]1,000	[A]3,000
Total Federal funds Other.....	BA	**33,151**	**708**	**43,106**	**30,136**
	O	249,716	26,487	61,546	31,729
SUMMARY					
Federal funds:					
(As shown in detail above).....	BA	**914,073**	**375,725**	**1,236,639**	**1,350,791**
	O	1,075,362	311,907	1,238,469	1,293,238
Deductions for offsetting receipts:					
Intrafund transactions.....152	BA O	*–519*	*–130*	*–519*	*–519*
Proprietary receipts from the public.....150	BA O	*–21,340*	*–10,580*	*–17,028*	*–18,860*
300	BA O	*–82*	*–5*	*–66*	*–66*
301	BA O	*–356*	*–127*	*–360*	*–360*
400	BA O	*–633*	*–932*	*–700*	*–700*

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF STATE—Continued					
SUMMARY—Continued					
Federal funds:—Continued					
902	BA O	*–3,298*	*–66*	*–435*	*–450*
Total Federal funds	BA	**887,845**	**363,885**	**1,217,531**	**1,329,836**
	O	1,049,134	300,067	1,219,361	1,272,283
Trust funds:					
(As shown in detail above)	BA	**97,978**	**10,915**	**160,413**	**162,299**
	O	67,829	18,441	84,258	97,828
Deductions for offsetting receipts:					
Intrafund transactions.....602	BA O	*–436*	*–49*	*–506*	*–506*
Proprietary receipts from the public.....153	BA O	*–253*	*–21*	*–150*	*–150*
Total trust funds	BA	**97,289**	**10,845**	**159,757**	**161,643**
	O	67,140	18,371	83,602	97,172
Interfund transactions.....152	BA O	**–54,455**	**–2,295**	**–104,199**	**–114,049**
Total Department of State	BA	**930,679**	**372,435**	**1,273,089**	**1,377,430**
	O	1,061,819	316,143	1,198,764	1,255,406
DEPARTMENT OF TRANSPORTATION					
OFFICE OF THE SECRETARY					
Federal Funds					
General and special funds:					
Salaries and expenses.....407	BA	**32,950**	**8,930**	**34,900** **[D]1,274**	**34,863**
	O	25,343	12,340	36,200	35,000
Transportation planning, research, and development.....407	BA	**28,000**	**7,000**	**28,000**	**31,200**
	O	29,935	8,791	31,000	31,200
Transportation research activities overseas (special foreign currency program).....407	BA	**250**	.....	**100**	.....
	O	1	.....	250	250
Intragovernmental funds:					
Working capital fund.....407	O	1,014	2,413	–1,000	–1,500
Consolidated working fund, transportation systems center..407	O	–3,952	765	–823	–3,980
Total Federal funds Office of the Secretary.	BA	**61,200**	**15,930**	**64,274**	**66,063**
	O	52,341	24,309	65,627	60,970
COAST GUARD					
Federal Funds					
General and special funds:					
Operating expenses.....406	BA	**738,054**	**212,287**	**818,383** **[K]20,017**	**[K]874,055** **[J]–700**
	O	706,631	195,119	835,600	870,755 [J]–700
Acquisition, construction, and improvements.....406	BA	**166,100**	**16,160**	**236,000**	**[K]226,600**
	O	120,334	33,259	158,000	223,000
Alteration of bridges.....406	BA	**6,500**	**1,625**	**10,900**	**[K]15,100**
	O	3,265	2,892	10,600	15,000

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF TRANSPORTATION—Continued					
COAST GUARD—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Retired pay 406	BA	**123,650**	**33,300**	**147,103**	**155,401**
				[H]**–6,803**	
	O	121,645	32,612	140,300	155,401
Reserve training 406	BA	**32,100**	**10,575**	**34,650**	[K]**36,560**
				[E]**1,100**	
	O	30,649	10,459	35,650	36,460
Research, development, test, and evaluation 406	BA	**18,600**	**4,650**	**18,800**	[K]**22,800**
	O	17,783	3,846	20,000	20,000
State boating safety assistance...406	BA	**5,790**	**1,450**	**5,790**	**5,790**
	O	5,080	749	6,900	5,500
Pollution fund 304	BA	**10,000**	.....	**5,000**	[K]**5,000**
				[B]**10,000**	
Permanent, indefinite	BA	**2,957**	**694**	**3,500**	**3,500**
	O	7,354	7,273	7,300	8,000
Intragovernmental funds:					
Coast Guard supply fund 406	BA	**2,000**	.....	.....	.....
	O	2,026	–1,210	700	900
Coast Guard yard fund 406	O	–1,073	3,091	–4,400	3,570
Total Federal funds Coast Guard.	BA	**1,105,751**	**280,741**	**1,304,440**	**1,344,106**
	O	1,013,694	288,090	1,210,650	1,337,886
Trust Funds					
Coast Guard general gift fund: Permanent, indefinite 406	BA	**9**	**1**	**30**	**30**
	O	7	1	30	30
Miscellaneous trust revolving funds .406	O	200	–512	14	26
Total trust funds Coast Guard...	BA	**9**	**1**	**30**	**30**
	O	207	–511	44	56
FEDERAL AVIATION ADMINISTRATION					
Federal Funds					
General and special funds:					
Operations 405	BA	**1,567,250**	**410,600**	**1,416,000**	**1,582,945**
				[D]**72,900**	
					[J]**–3,000**
	O	1,551,894	381,679	1,490,867	1,573,795
					[J]–3,000
Facilities, engineering and development 405	BA	**14,750**	**2,925**	**15,500**	**17,963**
	O	12,678	3,335	18,200	18,500
Operation and maintenance, Metropolitan Washington Airports 405	BA	**18,602**	**4,690**	**20,700**	**21,273**
				[D]**800**	
	O	18,596	4,411	21,420	21,238
Construction, Metropolitan Washington Airports 405	BA	**11,625**	.....	**5,000**	**6,000**
	O	1,600	479	13,885	7,344
Civil supersonic aircraft development termination 405	O	1,272	15	36	.....
Safety regulation 405	O	362	105	1,888	.....
United States International Aeronautical Exposition 405	O	–5	.....	237	.....
Public enterprise funds:					
Aviation war risk insurance revolving fund 405	O	–549	–302	–719	–747

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF TRANSPORTATION—Continued					
FEDERAL AVIATION ADMINISTRATION—Con.					
Federal Funds—Continued					
Intragovernmental funds:					
Consolidated working fund, integrated grant administration program.....405	0	1	.....	.....	.....
Total Federal funds Federal Aviation Administration.	BA	**1,612,227**	**418,215**	**1,530,900**	**1,625,181**
	0	1,585,849	389,722	1,545,814	1,617,130
Trust Funds					
Grants-in-aid for airports (Airport and airway trust fund).....405	BA	**2,800**	**15,000**	.....	**10,000**
Contract authority.....	BA	.....	**500,000**	.....	.....
Permanent.....	BA	.....	.....	**510,000**	**540,000**
Liquidation of contract authority.....		(370,000)	(92,500)	(355,000)	(320,000)
	0	268,766	25,503	308,000	548,000
Facilities and equipment (Airport and airway trust fund).....405	BA	**245,537**	.....	**200,000**	**212,600**
	0	204,004	48,364	220,000	218,000
Research, engineering and development (Airport and airway trust fund)....405	BA	**67,500**	**17,900**	**74,350**	**85,000**
	0	73,733	18,092	71,000	85,500
Operations (Airport and airway trust fund).....405	BA	.....	.....	**250,000**	**236,805**
	0	516	42	249,790	236,805
Total trust funds Federal Aviation Administration.	BA	**315,837**	**532,900**	**1,034,350**	**1,084,405**
	0	547,019	92,001	848,790	1,088,305
FEDERAL HIGHWAY ADMINISTRATION					
Federal Funds					
General and special funds:					
Motor carrier safety.....404	BA	**6,667**	**1,684**	**6,949**	**8,220**
				[p]263	
	0	6,892	1,498	7,004	7,790
Highway beautification.....404	BA	**1,000**	**250**	**28,000**	**34,150**
Liquidation of contract authority....		(30,000)	(7,500)	(33,600)	(10,000)
	0	32,846	6,792	42,900	39,400
Darien Gap Highway.....151	BA	**4,900**	.....	.....	.....
	0	12,628	2,410	7,800	1,500
Territorial highways.....404	BA	.....	.....	.....	**2,800**
Contract authority, Permanent.....	BA	**8,000**	.....	.....	.....
Liquidation of contract authority....		(4,000)	(1,000)	(3,560)	(290)
	0	2,275	457	3,500	5,060
Railroad-highway crossings demonstration projects.....404	BA	**467**	.....	**3,333**	**4,502**
	0	2,360	−1,270	3,600	7,200
Off-system railway-highway crossings 404	BA	.....	.....	.....	**25,000**
	0	.....	.....	.....	5,000
National scenic and recreational highway.....404					
Liquidation of contract authority....		.....	.....	(8,200)	(2,700)
	0	.....	.....	2,300	8,400
Alaska Highway.....404	BA	.....	.....	**15,000**	.....
	0	.....	.....	2,965	5,750
Off-systems roads.....404					
Liquidation of contract authority....		(10,000)	(2,500)	(70,000)	(45,000)
	0	5,582	6,650	50,000	65,000
Access highways to public recreation areas on certain lakes.....404	BA	**10,000**	.....	.....	.....
	0	.....	.....	3,100	4,675

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF TRANSPORTATION—Continued					
FEDERAL HIGHWAY ADMINISTRATION—Con.					
Federal Funds—Continued					
General and special funds:—Continued					
Alaska roads study.....404	BA	.....	.....	**200**	.....
	O	.....	.....	40	160
Highways crossing federal projects 404	BA	.....	.....	**35,000**	.....
	O	.....	.....	7,000	11,200
Miscellaneous appropriations.....404	BA	**11,000**	.....	.....	.....
Liquidation of contract authority....		(3,300)	.....	(6,500)	.....
	O	6,882	1,577	14,238	2,300
Total Federal funds Federal Highway Administration.	BA	**42,034**	**1,934**	**88,745**	**74,672**
	O	69,465	18,114	144,447	163,435
Trust Funds					
Federal-aid highways (trust fund): 404					
Contract authority.....	BA	**1,502,511**	.....	.....	.....
Permanent.....	BA	**3,475,000**	**3,317,778**	**3,538,239**	**6,842,778**
Liquidation of contract authority.....		(6,833,800)	(1,348,950)	(6,528,100)	(6,100,000)
	O	6,377,001	1,714,388	5,840,000	6,884,000
Limitation on general operating expenses.		(144,480)	(36,991)	(150,400)	(162,066)
				[D](4,641)	
Highway related safety grants: 404					
Contract authority, Permanent.....	BA	.....	**24,762**	.....	**24,762**
Liquidation of contract authority.....		(11,700)	(3,000)	(20,320)	(20,000)
	O	11,700	3,000	20,000	20,000
Baltimore-Washington Parkway.....404	BA	.....	.....	**1,500**	.....
	O	212	101	2,980	840
Project acceleration demonstration program 404	BA	.....	.....	**10,000**	**5,000**
	O	.....	.....	2,000	4,200
Highland scenic highway.....404	BA	**15,000**	.....	.....	.....
Trust fund share of other highway programs 404	BA	**10,933**	.....	**6,667**	**3,333**
Contract authority, Permanent.....	BA	.....	**31,250**	.....	**25,000**
Liquidation of contract authority.....		.....	.....	(14,300)	(7,300)
	O	1,143	2,510	16,200	31,400
Highway safety research and development 404	BA	**9,000**	**2,250**	**9,000**	**9,000**
	O	8,685	−2,759	8,000	10,400
Overseas highway.....404	BA	**500**	.....	**12,500**	**8,000**
	O	.....	.....	4,650	8,250
Miscellaneous trust funds: Permanent 151	BA	**1,878**	**892**	**6,469**	**7,200**
Contract authority, Permanent.....	BA	**853**	**90**	.....	.....
Liquidation of contract authority.....		(5,417)	(1,220)	(1,385)	.....
	O	7,644	1,237	9,654	7,200
Right-of-way revolving fund (trust revolving fund).....404					
Liquidation of contract authority.....		(20,000)	(5,000)	(35,000)	(32,700)
	O	21,838	9,220	35,800	32,700
Total trust funds Federal Highway Administration.	BA	**5,015,675**	**3,377,022**	**3,584,375**	**6,925,073**
	O	6,428,223	1,727,697	5,939,284	6,998,990

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DEPARTMENT OF TRANSPORTATION—Continued					
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION					
Federal Funds					
General and special funds:					
Traffic and highway safety.....404	BA	**39,016**	**10,680**	**45,580** **[A]3,000** **[D]623**	**55,523**
	O	42,511	9,111	59,603 [A]750	55,382 [A]2,100
State and community highway safety 404	BA	.....	.....	.....	**1,140**
Contract authority, Permanent.....	BA	.....	**1,220**	.....	.....
Liquidation of contract authority....		(2,000)	(500)	(5,140)	.....
	O	8,749	−2,192	1,000	1,200
Total Federal funds National Highway Traffic Safety Administration.	BA	**39,016**	**11,900**	**49,203**	**56,663**
	O	51,260	6,919	61,353	58,682
Trust Funds					
Trust fund share of highway safety programs.....404	BA	**28,984**	**6,320**	**26,746** **[D]335**	**28,017**
Contract authority, Permanent.....	BA	**56,500**	**124,530**	**15,000**	**150,860**
Liquidation of contract authority.....		(69,000)	(19,500)	(83,360)	(122,200)
	O	100,025	31,100	120,345	165,000
Gifts and donations.....404	O	.....	.....	11	.....
Total trust funds National Highway Traffic Safety Administration.	BA	**85,484**	**130,850**	**42,081**	**178,877**
	O	100,025	31,100	120,356	165,000
FEDERAL RAILROAD ADMINISTRATION					
Federal Funds					
General and special funds:					
Office of the administrator.....404	BA	**6,075**	**1,456**	**6,300** **[D]270**	**7,050**
	O	5,949	1,394	6,510	6,985
Railroad safety.....404	BA	**17,950**	**4,475**	**19,300** **[D]510**	**20,960**
	O	14,904	3,788	19,435	21,360
Railroad research and development 404	BA	**64,150**	**15,650**	**52,900**	**57,000**
	O	48,441	13,980	65,000	45,500
Rail service assistance.....404	BA	**350,130**	**15,300**	**83,000**	**88,350**
Authority to spend public debt receipts.	BA	**54,001**	.....	.....	.....
	O	378,927	4,669	80,275	79,000
Northeast corridor improvement program.....404	BA	**25,000**	**25,000**	**150,000**	**400,000**
	O	.....	7	85,000	180,000
Railroad transportation employment and improvement.....404	BA	**90,000**	**18,000**	.....	.....
Grants to National Railroad Passenger Corporation.....404	BA	**471,200**	**130,000**	**575,700** **[A]47,000**	**617,000**
	O	354,490	117,348	705,062 [A]47,000	617,000
Emergency rail facilities restoration 404	O	45	.....	1,387	.....
Public enterprise funds:					
Alaska Railroad revolving fund.....404	BA	**9,000**	.....	**6,000**	**3,000**
	O	241	8,360	7,166	3,745

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DEPARTMENT OF TRANSPORTATION—Continued					
FEDERAL RAILROAD ADMINISTRATION—Con.					
Federal Funds—Continued					
Public enterprise funds:—Continued					
Railroad rehabilitation and improvement financing fund....404	BA	.....	.....	70,000	100,000
	O	.....	.....	30,000	80,000
Total Federal funds Federal Railroad Administration.	BA	1,087,506	209,881	1,010,980	1,293,360
	O	802,997	149,546	1,046,835	1,033,590
URBAN MASS TRANSPORTATION ADMINISTRATION					
Federal Funds					
Public enterprise funds:					
Urban mass transportation fund..404	BA	277,300	14,400	528,800	550,200
Contract authority	BA	669,266	−14,400	−73,800	−95,200
Liquidation of contract authority....		(1,276,300)	(325,000)	(1,700,000)	(1,756,000)
	O	1,322,085	286,993	1,830,000	2,225,000
					[1]−100,000
SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION					
Federal Funds					
Public enterprise funds:					
Saint Lawrence Seaway Development Corporation.....406	O	−1,728	−1,872	−856	−888
Limitation on administrative expenses.		(943)	(258)	(982)	(1,066)
				[1](36)	
MATERIALS TRANSPORTATION BUREAU					
Federal Funds					
General and special funds:					
Materials transportation program.407	BA	1,650	.....	2,250	8,400
	O	1,151	730	2,000	8,000
SUMMARY					
Federal funds:					
(As shown in detail above)	BA	4,895,950	938,601	4,505,792	4,923,445
	O	4,897,114	1,162,551	5,905,870	6,403,805
Deductions for offsetting receipts:					
Proprietary receipts from the public.....400	BA, O	*−29,791*	*−8,529*	*−32,741*	*−59,244*
902	BA, O	*−7*	.....	.....	.....
Total Federal funds	BA	4,866,152	930,072	4,473,051	4,864,201
	O	4,867,316	1,154,022	5,873,129	6,344,561
Trust funds:					
(As shown in detail above)	BA	5,417,005	4,040,773	4,660,836	8,188,385
	O	7,075,474	1,850,287	6,908,474	8,252,351
Deductions for offsetting receipts:					
Proprietary receipts from the public.....151	BA, O	*−6,691*	*−1,802*	*−7,761*	*−7,100*

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF TRANSPORTATION—Continued					
SUMMARY—Continued					
Trust funds:—Continued					
902	BA 0	–43	.....	.....	.....
Total trust funds	BA	**5,410,271**	**4,038,971**	**4,653,075**	**8,181,285**
	0	7,068,740	1,848,485	6,900,713	8,245,251
Total Department of Transportation.	BA	**10,276,423**	**4,969,043**	**9,126,126**	**13,045,486**
	0	11,936,056	3,002,507	12,773,842	14,589,812
DEPARTMENT OF THE TREASURY					
OFFICE OF THE SECRETARY					
Federal Funds					
General and special funds:					
Salaries and expenses.....803	BA	**27,725**	**7,005**	**25,820** [C]**107** [D]**915**	**30,100**
	0	29,525	5,554	26,955	31,000
Investment in fund anticipation notes.....404	BA	.....	.....	**70,000** [J]**–70,000**	**100,000** [J]**–100,000**
Taxable municipal bond option....852	BA				[J]**990,000**
	0				[J]44,000
Expenses for economic stabilization (liquidating functions).....802	0	220	4	.....	.....
Presidential election campaign fund: Permanent, indefinite.....806	BA	**33,549**	**540**	**35,000**	**30,000**
	0	23,740	40,201	7,970	.....
Miscellaneous permanent appropriations: Permanent, indefinite.....803	BA	**16**	.....	**18**	**25**
	0	19	1	18	25
Public enterprise funds:					
Liquidation of Reconstruction Finance Corporation.....803	0	–476	.....	–424	–403
Intragovernmental funds:					
Working capital fund.....803	0	–120	–112	–35	.....
Total Federal funds Office of the Secretary.	BA	**61,290**	**7,545**	**61,860**	**1,050,125**
	0	52,908	45,648	34,484	74,622
Trust Funds					
Pershing Hall memorial fund: Permanent, indefinite.....705	BA	**7**	**4**	**7**	**7**
	0	7	.....	10	7
OFFICE OF REVENUE SHARING					
Federal Funds					
General and special funds:					
Salaries and expenses.....851	BA	**3,027**	**766**	**5,623** [D]**176**	**5,100**
	0	2,268	602	5,972	5,300
Antirecession financial assistance fund.....852	BA	.....	**312,500**	**937,500**	.....
	0	.....	.....	1,250,000	.....

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DEPARTMENT OF THE TREASURY—Continued					
OFFICE OF REVENUE SHARING—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Payments to State and local government fiscal assistance trust fund.....851	BA	.....	.....	..... [A]4,991,085	6,854,924
Permanent.....	BA	6,354,780	1,663,695	1,663,695	.....
	O	6,354,780	1,663,695	1,663,695 [A]4,991,085	6,854,924
Total Federal funds Office of Revenue Sharing.	BA	6,357,807	1,976,961	7,598,079	6,860,024
	O	6,357,048	1,664,297	7,910,752	6,860,224
Trust Funds					
State and local government fiscal assistance trust fund.....851	BA	.....	.....	..... [A]4,991,085	6,854,924
Permanent.....	BA	6,354,780	1,663,695	1,663,695	.....
	O	6,242,926	1,587,642	3,448,625 [A]3,327,390	5,150,193 [A]1,663,695
FEDERAL LAW ENFORCEMENT TRAINING CENTER					
Federal Funds					
General and special funds:					
Salaries and expenses.....751	BA	12,000	3,500	8,650 [C]76 [D]210	10,500
	O	9,488	2,331	8,730	10,200
Construction, Federal Law Enforcement Training Center....751	O	2,281	532	9,078	18,906
Total Federal funds Federal Law Enforcement Training Center.	BA	12,000	3,500	8,936	10,500
	O	11,769	2,863	17,808	29,106
BUREAU OF GOVERNMENT FINANCIAL OPERATIONS					
Federal Funds					
General and special funds:					
Salaries and expenses.....803	BA	131,725	35,350	144,000 [A]6,750 [D]1,669	174,000
	O	130,838	33,198	147,599 [A]6,683	176,000 [A]67
Special payment to recipients of certain retirement and survivor benefits.....601	O	17,224	−937	.....	.....
New York City seasonal financing fund, administrative expenses.852	BA	1,000	315	1,250	1,250
	O	309	575	1,260	1,550
Claims, judgments, and relief acts 806	BA	99,138	19	52,100 [I]127,106	..... [I]186,400
Permanent, indefinite.....	BA	38,244	10,384	40,000	42,000
	O	141,698	11,189	92,195 [I]127,106	42,000 [I]186,400
Interest on uninvested funds: Permanent, indefinite.....902	BA	8,076	792	7,836	7,775
	O	7,272	1,879	7,836	7,775
Payment of Government losses in shipment.....803	BA	700	175	500	.....
	O	240	69	498	497

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DEPARTMENT OF THE TREASURY—Continued					
BUREAU OF GOVERNMENT FINANCIAL OPERATIONS—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Eisenhower College grants.....502	BA	**1,000**	.....	.....	.....
	O	1,000	.....	667	.....
Grants to Hoover Institution on War, Revolution, and Peace.....503	BA	**7,000**	.....	.....	.....
	O	416	375	6,209	.....
Public enterprise funds:					
Check forgery insurance fund.....803	O	10	7	10	11
New York City seasonal financing fund.....852	BA	**2,300,000**	.....	.....	.....
Intragovernmental funds:					
Fishermen's protective fund.....403	O	2	.....	.....	.....
Total Federal funds Bureau of Government Financial Operations.	BA	**2,586,883**	**47,035**	**381,211**	**411,425**
	O	299,009	46,355	390,063	414,300
Trust Funds					
Miscellaneous trust funds: Permanent, indefinite.....806	BA	**42**	.....	**19**	**19**
	O	18	24	26	19
BUREAU OF ALCOHOL, TOBACCO AND FIREARMS					
Federal Funds					
General and special funds:					
Salaries and expenses.....751	BA	**109,697**	**27,700**	**114,500**	**124,600**
				[D]4,164	
					[I]12,400
	O	102,832	27,289	121,716	123,800
					[I]11,500
UNITED STATES CUSTOM SERVICE					
Federal Funds					
General and special funds:					
Salaries and expenses.....751	BA	**328,677**	**84,688**	**340,000**	**383,000**
				[A]6,319	
				[C]160	
				[D]12,711	
	O	334,089	82,338	352,166	382,281
				[A]5,950	[A]369
Miscellaneous permanent appropriations: Permanent, indefinite.....852	BA	**197,288**	**56,951**	**210,000**	**215,000**
	O	196,188	41,437	210,000	215,000
Intragovernmental funds:					
Consolidated working fund.....803	O	–3,343	3,243	.....	.....
Total Federal funds United States Custom Service.	BA	**525,965**	**141,639**	**569,190**	**598,000**
	O	526,934	127,018	568,116	597,650
Trust Funds					
Refunds, transfers and expenses, unclaimed, abandoned and seized goods: Permanent, indefinite.....803	BA	**3,828**	**817**	**4,000**	**4,000**
	O	3,536	763	4,000	4,000

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DEPARTMENT OF THE TREASURY—Continued					
BUREAU OF ENGRAVING AND PRINTING					
Federal Funds					
Intragovernmental funds:					
Bureau of Engraving and Printing fund.....803	BA	.....	.....	.....	**10,000**
	0	4,371	578	1,591	.....
BUREAU OF THE MINT					
Federal Funds					
General and special funds:					
Salaries and expenses.....803	BA	**41,230**	**10,308**	**40,000** **[C]815** **[D]585**	**41,100**
	0	42,235	9,381	40,850	40,200
Construction of mint facilities.....803	BA	**3,350**	.....	.....	.....
	0	1,832	93	212	52
Coinage profit fund: Permanent, indefinite.....803	BA	**2,518**	.....	**3,500**	**3,200**
	0	2,367	575	3,379	3,200
Total Federal funds Bureau of the Mint.	BA	**47,098**	**10,308**	**44,900**	**44,300**
	0	46,434	10,049	44,441	43,452
BUREAU OF THE PUBLIC DEBT					
Federal Funds					
General and special funds:					
Administering the public debt.....803	BA	**103,000**	**26,300**	**112,000** **[A]4,700** **[C]41** **[D]1,539**	**176,800**
	0	97,493	26,387	116,127 [A]4,700	175,300
INTERNAL REVENUE SERVICE					
Federal Funds					
General and special funds:					
Salaries and expenses.....803	BA	**45,825**	**11,585**	**46,700** **[A]1,552** **[D]2,080**	**51,105**
	0	43,995	10,535	48,310 [A]1,412	50,595 [A]140
Accounts, collection and taxpayer service.....803	BA	**791,740**	**199,690**	**793,400** **[A]28,804** **[D]25,430**	**874,009**
	0	783,886	173,220	817,176 [A]25,862	872,261 [A]2,942
Compliance.....803	BA	**853,955**	**215,840**	**836,900** **[A]41,189** **[D]36,620**	**955,525**
	0	854,021	200,264	871,458 [A]36,701	953,614 [A]4,488
Payment where credit exceeds liability for tax.....604	BA				[J]**–835,000**
Permanent.....	BA	**808,425**	**85,773**	**856,000**	**835,000**
	0	808,425	85,773	856,000	835,000 [J]–835,000
Refunding internal revenue collections, interest: Permanent, indefinite.....902	BA	**295,135**	**102,090**	**280,000**	**300,000**
	0	295,135	102,090	280,000	300,000

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DEPARTMENT OF THE TREASURY—Continued					
INTERNAL REVENUE SERVICE—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Internal revenue collections for Puerto Rico: Permanent, indefinite 852	BA	**140,004**	**28,528**	**120,000**	**122,000**
	O	139,035	28,907	119,725	121,500
Public enterprise funds:					
Federal tax lien revolving fund.....803	O	−108	16	.....	.....
Total Federal funds Internal Revenue Service.	BA	**2,935,084**	**643,506**	**3,068,675**	**2,302,639**
	O	2,924,389	600,805	3,056,644	2,305,540
UNITED STATES SECRET SERVICE					
Federal Funds					
General and special funds:					
Salaries and expenses.....751	BA	**114,950**	**33,360**	**112,650**	**123,500**
				[D]5,380	
	O	101,892	28,750	116,705	122,000
Contribution for annuity benefits: Permanent, indefinite.....751	BA	**3,548**	**1,267**	**4,000**	**6,000**
	O	3,548	1,267	4,000	6,000
Total Federal funds United States Secret Service.	BA	**118,498**	**34,627**	**122,030**	**129,500**
	O	105,440	30,017	120,705	128,000
COMPTROLLER OF THE CURRENCY					
Trust Funds					
Assessment funds.....403	O	4,239	−22,096	2,832	1,560
INTEREST ON THE PUBLIC DEBT					
Federal Funds					
General and special funds:					
Interest on the public debt: Permanent, indefinite.....901	BA	**37,063,211**	**8,101,561**	**42,000,000**	**44,600,000**
	O	37,063,211	8,101,561	42,000,000	44,600,000
SUMMARY					
Federal funds:					
(As shown in detail above).....	BA	**49,920,533**	**11,020,682**	**54,091,825**	**56,330,313**
	O	47,591,838	10,682,867	54,387,147	55,363,494
Deductions for offsetting receipts:					
Intrafund transactions.....155	BA	*−20,000*	*−20,000*	*−20,000*	*−20,000*
	O				
803	BA	*−721*	*−117*	.....	.....
	O				
902	BA	*−1,428,842*	*−380,152*	*−1,762,512*	*−1,887,691*
	O				
Receipts from off-budget Federal agencies.....902	BA	*−908,934*	*−354,307*	*−2,054,162*	*−2,772,397*
	O				
Proprietary receipts from the public.....050	BA	*−2,912*	*624*	*−2,500*	*−2,500*
	O				
150	BA	*−223,852*	*−48,236*	*−211,967*	*−208,323*
	O				
800	BA	*−173,142*	*−20,036*	*−82,718*	*−56,645*
	O				

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
DEPARTMENT OF THE TREASURY—Continued					
SUMMARY—Continued					
Federal funds:—Continued					
902	BA	*–201,673*	*–31,576*	*–196,780*	*–212,429*
	O				
Total Federal funds	BA	**46,960,457**	**10,166,882**	**49,761,186**	**51,170,328**
	O	44,631,762	9,829,067	50,056,508	50,203,509
Trust funds:					
(As shown in detail above)	BA	**6,358,657**	**1,664,516**	**6,658,806**	**6,858,950**
	O	6,250,726	1,566,333	6,782,883	6,819,474
Interfund transactions 803	BA	**–187,460**	**–32,617**	**–165,000**	**–185,000**
	O				
851	BA	**–6,359,560**	**–1,663,695**	**–6,654,780**	**–6,854,924**
	O				
Total Department of the Treasury.	BA	**46,772,094**	**10,135,086**	**49,600,212**	**50,989,354**
	O	44,335,468	9,699,088	50,019,611	49,983,059
ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION					
Federal Funds					
General and special funds:					
Operating expenses:					
(Atomic energy defense activities)	BA	**1,411,542**	**384,046**	**1,549,656**	**[K]1,809,100**
053	O	1,297,938	370,560	1,505,541	1,731,300
(General science and basic research) 251	BA	**271,257**	**67,390**	**298,957**	**[K]326,207**
	O	256,680	72,184	286,168	314,744
(Energy) 305	BA	**1,871,052**	**618,185**	**2,822,900**	**[K]3,304,621**
				[H]55,800	**[J]135,710**
	O	1,416,168	421,528	2,425,940	2,962,736
				[H]41,800	[H]14,000
				[J]–39,290	[J]–117,000
Total, Operating expenses	BA	**3,553,851**	**1,069,621**	**4,727,313**	**5,575,638**
	O	2,970,786	864,272	4,220,159	4,905,780
Special foreign currency program 305	BA	**6,650**	.....	.....	**[K]1,500**
	O	.....	2	1,900	2,700
Plant and capital equipment:					
(Atomic energy defense activities)	BA	**270,296**	**75,270**	**385,051**	**[K]571,050**
053	O	267,177	64,533	323,818	430,228
(General science and basic research) 251	BA	**48,553**	**8,401**	**72,644**	**[K]103,120**
	O	42,051	12,043	52,420	73,441
(Energy) 305	BA	**635,748**	**110,345**	**1,174,260**	**[K]1,559,079**
	O	479,020	110,333	772,497	1,039,251
Total, Plant and capital equipment.	BA	**954,597**	**194,016**	**1,631,955**	**2,233,249**
	O	788,248	186,909	1,148,735	1,542,920
Geothermal resources development fund 305	BA	.....	.....	**30.000**	**[K]30,000**
	O	.....	.....	4,400	6,600
Total Federal funds Energy Research and Development Administration.	BA	**4,515,098**	**1,263,637**	**6,389,268**	**7,840,387**
	O	3,759,034	1,051,183	5,375,194	6,458,000
Trust Funds					
Advances for cooperative work: Permanent 305	BA	**358**	**85**	**290**	**270**
	O	349	127	290	270

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ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION—Continued					
SUMMARY					
Federal funds:					
(As shown in detail above)	BA	**4,515,098**	**1,263,637**	**6,389,268**	**7,840,387**
	O	3,759,034	1,051,183	5,375,194	6,458,000
Deductions for offsetting receipts:					
Proprietary receipts from the public.....300	BA, O		*–14*		
Total Federal funds	BA	**4,515,098**	**1,263,623**	**6,389,268**	**7,840,387**
	O	3,759,034	1,051,169	5,375,194	6,458,000
Trust funds:					
(As shown in detail above)	BA	**358**	**85**	**290**	**270**
	O	349	127	290	270
Deductions for offsetting receipts:					
Proprietary receipts from the public.....305	BA, O	*–358*	*–85*	*–290*	*–270*
Total trust funds	O	–9	42		
Total Energy Research and Development Administration.	BA	**4,515,098**	**1,263,623**	**6,389,268**	**7,840,387**
	O	3,759,025	1,051,211	5,375,194	6,458,000
ENVIRONMENTAL PROTECTION AGENCY					
Federal Funds					
General and special funds:					
Agency and regional management 304	BA	**71,583**	**16,414**	**70,890** [D]**1,985** [K]**15**	**71,860**
	O	65,498	16,193	73,000	76,000
Research and development:					
(Pollution control and abatement) 304	BA	**164,871**	**42,846**	**163,069**	[K]**164,860**
	O	170,196	43,585	188,000	167,000
(Energy).....305	BA	**100,550**	**21,000**	**96,427**	[K]**96,427**
	O	65,687	24,749	106,000	101,000
Total, Research and development.	BA	**265,421**	**63,846**	**259,496**	**261,287**
	O	235,883	68,334	294,000	268,000
Abatement and control.....304	BA	**375,283**	**93,333**	**380,388** [D]**3,822** [K]**178**	[K]**394,698**
Liquidation of contract authority....		(65,000)	(19,000)	(49,182)	
	O	311,672	85,291	414,000	414,000
Enforcement.....304	BA	**52,263**	**13,823**	**56,331**	[K]**68,748**
	O	51,264	12,820	57,000	73,000
Buildings and facilities.....304	BA	**2,969**	**500**	**2,100**	**1,142**
	O	554	400	3,000	2,500
Construction grants.....304	BA			**680,000** [A]**400,000**	
					[J]**4,500,000**
Liquidation of contract authority....		(800,000)	(800,000)	(3,800,000)	(5,000,000)
	O	2,428,569	919,463	4,380,000 [A]50,000	4,870,000 [A]100,000 [J]190,000
Scientific activities overseas (Special foreign currency program).....304	BA	**4,000**	**670**	**5,000**	**5,000**
	O	3,726	1,128	4,000	4,500
Operations, research, and facilities 304	O	20,803	4,746	20,000	8,000

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ENVIRONMENTAL PROTECTION AGENCY—Continued					
Federal Funds—Continued					
Public enterprise funds:					
Revolving fund for certification and other services.....304	0	–214	–25	–40	.....
Intragovernmental funds:					
Consolidated working fund.....304	0	161	44	53	.....
Total Federal funds	BA	**771,519**	**188,586**	**1,860,205**	**5,302,735**
Environmental Protection Agency.	0	3,117,916	1,108,394	5,295,013	6,006,000
Trust Funds					
Miscellaneous trust funds: Permanent,	BA	**13**	.....	.....	.....
indefinite.....304	0	15	1	20	28
SUMMARY					
Federal funds:					
(As shown in detail above).....	BA	**771,519**	**188,586**	**1,860,205**	**5,302,735**
	0	3,117,916	1,108,394	5,295,013	6,006,000
Deductions for offsetting receipts:					
Proprietary receipts from the public.....304	BA, 0	*–164*	*–34*	*–167*	*–167*
902	BA, 0	*–8*	*–1*	.....	.....
Total Federal funds.....	BA	**771,347**	**188,551**	**1,860,038**	**5,302,568**
	0	3,117,744	1,108,359	5,294,846	6,005,833
Trust funds:					
(As shown in detail above).....	BA	**13**	.....	.....	.....
	0	15	1	20	28
Deductions for offsetting receipts:					
Proprietary receipts from the public.....304	BA, 0	*–13*	.....	.....	.....
Total trust funds.....	0	2	1	20	28
Total Environmental Protection Agency.	BA	**771,347**	**188,551**	**1,860,038**	**5,302,568**
	0	3,117,746	1,108,360	5,294,866	6,005,861
GENERAL SERVICES ADMINISTRATION					
REAL PROPERTY ACTIVITIES					
Federal Funds					
General and special funds:					
Real property miscellaneous accounts:					
(Federal judicial activities).....752	0	1,116	27	1,972	.....
(General property and records management).....804	0	6,075	2,069	3,009	.....
Total, Real property miscellaneous accounts.	0	7,191	2,096	4,981	.....
Disposal of surplus real and related personal property, operating	BA	**6,180**	**1,510**	**6,205**	**7,935**
expenses.....804	0	5,789	1,433	6,442	7,935
				[p]237	
Expenses, disposal of surplus real and related personal property: Permanent, indefinite.....804	BA	**685**	**260**	**1,000**	**1,000**
	0	772	229	1,000	1,000
Intragovernmental funds:					
Federal buildings fund.....804	0	–104,718	–7,285	10,801	17,300

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GENERAL SERVICES ADMINISTRATION—Continued					
REAL PROPERTY ACTIVITIES—Continued					
Federal Funds—Continued					
Intragovernmental funds:—Continued					
Construction services fund.....804	0	−8,320	−5,791	137	−3,318
Consolidated working fund, real property activities.....804	0	−726	−553	−6,120	3,000
Total Federal funds Real Property Activities.	BA	**6,865**	**1,770**	**7,442**	**8,935**
	0	−100,012	−9,871	17,241	25,917
PERSONAL PROPERTY ACTIVITIES					
Federal Funds					
General and special funds:					
Federal Supply Service, operating expenses.....804	BA	**165,305**	**41,661**	**152,404** [C]**1,051** [D]**3,820**	**160,430**
	0	163,157	40,146	157,189	160,344
Intragovernmental funds:					
General supply fund.....804	BA	**40,000**	.....	.....	.....
	0	−87,538	−5,842	−19,997	.....
Working capital fund.....804	0	−98	−179	145	−170
Total Federal funds Personal Property Activities.	BA	**205,305**	**41,661**	**157,275**	**160,430**
	0	75,521	34,125	137,337	160,174
RECORDS ACTIVITIES					
Federal Funds					
General and special funds:					
National Archives and Records Service, operating expenses.....804	BA	**60,155**	**15,369**	**64,219** [A]**450** [D]**1,600**	**67,134**
	0	58,390	14,857	65,787 [A]450	67,166
Records declassification.....804	BA	**1,394**	**352**	**1,410** [D]**60**	**1,470**
	0	1,283	330	1,469	1,471
Total Federal funds Records Activities.	BA	**61,549**	**15,721**	**67,739**	**68,604**
	0	59,673	15,187	67,706	68,637
Trust Funds					
National archives gift fund: Permanent 804	BA	**200**	**42**	**125**	**125**
	0	427	−163	150	150
National archives trust fund.....804	0	−479	−149	−100	−100
Total trust funds Records Activities.	BA	**200**	**42**	**125**	**125**
	0	−52	−312	50	50
AUTOMATED DATA AND TELECOMMUNICATIONS ACTIVITIES					
Federal Funds					
General and special funds:					
Automated Data and Telecommunications Service, operating expenses.....804	BA	**7,390**	**1,841**	**7,475** [D]**356**	**8,217**
	0	7,251	1,652	8,019	8,203
Intragovernmental funds:					
Federal telecommunications fund.804	BA			[A]**25,000**	
	0	−10,900	9,277	−9,406 [A]13,000	−2,941

See footnotes at end of table.

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
GENERAL SERVICES ADMINISTRATION—Continued					
AUTOMATED DATA AND TELECOMMUNICATIONS ACTIVITIES—Continued					
Federal Funds—Continued					
Intragovernmental funds:—Continued					
Automatic data processing fund..804	0	−1,438	−233	6,787	6,159
Total Federal funds Automated Data and Telecommunications Activities.	BA	**7,390**	**1,841**	**32,831**	**8,217**
	0	−5,087	10,696	18,400	11,421
PROPERTY MANAGEMENT AND DISPOSAL ACTIVITIES					
Federal Funds					
General and special funds:					
Rare silver dollar program:					
(Defense-related activities).....054	0	648	125	318	.....
(General property and records management).....804	0	85	17	2,197	237
Total, Rare silver dollar program.	0	733	142	2,515	237
Strategic and critical materials....054	0	18	27,865	.....	.....
Intragovernmental funds:					
Emergency health activities, consolidated working fund.....054	0	2	.....	112	.....
Total Federal funds Property Management and Disposal activities.	0	753	28,007	2,627	237
PREPAREDNESS ACTIVITIES					
Federal Funds					
General and special funds:					
Federal Preparedness Agency, salaries and expenses.....054	BA	**15,976**	**4,024**	**16,296**	**226,510**
				[c]**472**	
				[p]**552**	
	0	14,735	3,587	16,209	222,963
Defense mobilization functions of Federal agencies.....054	0	228	.....	309	.....
Expenses, Defense Production Act	BA	.....	.....	.....	**12,390**
054	0	.....	.....	.....	12,390
State and local preparedness.....054	0	59	39	117	.....
Public enterprise funds:					
Defense Production Act, loan guarantee activities.....054	0	−21	−7	.....	.....
William Langer Jewel bearing plant revolving fund.....054	0	.....	−100	.....	−70
Total Federal funds Preparedness Activities.	BA	**15,976**	**4,024**	**17,320**	**238,900**
	0	15,001	3,519	16,635	235,283

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GENERAL SERVICES ADMINISTRATION—Continued					
GENERAL ACTIVITIES					
Federal Funds					
General and special funds:					
General management and agency operations, salaries and expenses 804	BA	**9,464**	**1,653**	**8,436** **[A]675** **[D]425**	**13,535**
	0	9,379	1,510	8,547 [A]645	13,256 [A]30
Federal management policy, salaries and expenses 804	BA	**1,100**	**275**	.....	.....
	0	904	8	7	.....
Indian trust accounting 806	BA	**2,675**	**675**	**2,702** **[D]112**	**2,818**
	0	2,878	585	2,725	2,802
Allowances and office staff for former Presidents 802	BA	**275**	**68**	**280** **[A]107** **[D]3**	**[K]667**
	0	256	64	283 [A]107	667
Expenses, presidential transition 802	BA	.....	.....	**3,000**	.....
	0	9	.....	3,000	.....
Administrative and staff support services, salaries and expenses 804	BA	**55,385**	**14,857**	**72,261** **[D]2,954**	**79,425**
	0	55,217	14,434	71,755	78,768
Consumer information center 403	BA	**1,054**	**264**	**1,073** **[D]20**	**1,159**
	0	1,030	224	985	1,113
Refunds under Renegotiation Act:	BA	**1,000**	.....	**1,000**	.....
Indefinite 902	0	22	166	1,357	487
Office of Administrator, salaries and expenses 804	0	17	.....	26	.....
Public enterprise funds:					
Virgin Islands Corporation liquidation fund 804	0	−890	−203	−807	−751
Intragovernmental funds:					
Administrative operations fund 804	0	268	6	3	.....
Total Federal funds General activities.	BA	**70,953**	**17,792**	**93,048**	**97,604**
	0	69,090	16,794	88,633	96,372
SUMMARY					
Federal funds:					
(As shown in detail above)	BA	**368,038**	**82,809**	**375,655**	**582,690**
	0	114,939	98,457	348,579	598,041
Deductions for offsetting receipts:					
Intrafund transactions 054	BA 0	*−2,026*	*−349*	.....	.....
902	BA 0	*−1,813*	.....	.....	.....
Proprietary receipts from the public 054	BA 0	*−159,519*	*−63,451*	*−124,000*	*−290,225*
800	BA 0	*−42,671*	*−30,882*	*−49,000*	*−45,000*

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
GENERAL SERVICES ADMINISTRATION—Continued					
SUMMARY—Continued					
Federal funds:—Continued					
902	BA	*–998*	*–260*	.....	.....
	0				
Total Federal funds	BA	**161,011**	**–12,133**	**202,655**	**247,465**
	0	–92,088	3,515	175,579	262,816
Trust funds:					
(As shown in detail above)	BA	**200**	**42**	**125**	**125**
	0	–52	–312	50	50
Total General Services Administration.	BA	**161,211**	**–12,091**	**202,780**	**247,590**
	0	–92,140	3,203	175,629	262,866
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION					
Federal Funds					
General and special funds:					
Research and development:					
(Space flight)253	BA	**1,560,574**	**406,500**	**1,641,700**	**K1,753,500**
	0	1,583,345	422,583	1,616,900	1,741,100
(Space science, applications, and technology) 254	BA	**693,156**	**184,900**	**666,525**	**K736,700**
	0	713,940	188,348	680,000	688,500
(Supporting space activities) 255	BA	**248,300**	**65,400**	**263,100**	**K289,800**
	0	273,162	72,239	263,000	281,400
(Air transportation)405	BA	**175,350**	**43,800**	**190,100**	**K231,000**
	0	178,362	47,520	177,000	212,300
Total, Research and development.	BA	**2,677,380**	**700,600**	**2,761,425**	**3,011,000**
	0	2,748,809	730,690	2,736,900	2,923,300
Construction of facilities:					
(Space flight)253	BA	**47,220**	.....	**30,695**	**K65,740**
	0	66,476	13,324	60,600	52,200
(Space science, applications, and technolgoy) 254	BA	.....	.....	**8,800**	**K9,510**
	0	11,103	2,019	6,500	8,100
(Supporting space activities) 255	BA	**30,275**	**10,750**	**43,645**	**K48,150**
	0	35,058	9,035	39,000	46,900
(Air transportation)405	BA	**4,635**	.....	**34,950**	**K38,400**
	0	8,280	1,407	19,000	25,300
Total, Construction of facilities.	BA	**82,130**	**10,750**	**118,090**	**161,800**
	0	120,917	25,785	125,100	132,500
Research and program management:					
(Space flight)253	BA	**348,840**	**99,833**	**353,300**	**K362,359**
				D13,560	
	0	350,384	88,725	366,940	362,549
(Space science, applications, and technology) 254	BA	**250,820**	**70,094**	**263,500**	**K277,650**
				D10,670	
	0	255,258	61,102	273,630	277,550
(Supporting space activities) 255	BA	**47,737**	**12,055**	**48,200**	**K53,010**
				D1,810	
	0	47,540	11,239	49,810	52,910

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NATIONAL AERONAUTICS AND SPACE ADMINISTRATION—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Research and program management: —Continued.					
(Air transportation) 405	BA	**144,915**	**38,813**	**148,000**	[K]**153,970**
				[D]**5,737**	
	O	146,114	33,887	153,370	153,980
Total, Research and program management.	BA	**792,312**	**220,795**	**844,777**	**846,989**
	O	799,296	194,953	843,750	846,989
Total Federal funds National Aeronautics and Space Administration.	BA	**3,551,822**	**932,145**	**3,724,292**	**4,019,789**
	O	3,669,022	951,428	3,705,750	3,902,789
Trust Funds					
Miscellaneous trust funds: Permanent, indefinite 255	BA	**1,126**	**15**	.....	.....
	O	3,123	1,925	1,840	.....
SUMMARY					
Federal funds:					
(As shown in detail above)	BA	**3,551,822**	**932,145**	**3,724,292**	**4,019,789**
	O	3,669,022	951,428	3,705,750	3,902,789
Deductions for offsetting receipts:					
Proprietary receipts from the public 250	BA, O	*–1,516*	*–310*	*–1,500*	*–1,600*
Total Federal funds	BA	**3,550,306**	**931,835**	**3,722,792**	**4,018,189**
	O	3,667,506	951,118	3,704,250	3,901,189
Trust funds:					
(As shown in detail above)	BA	**1,126**	**15**	.....	.....
	O	3,123	1,925	1,840	.....
Deductions for offsetting receipts:					
Proprietary receipts from the public 255	BA, O	*–1,126*	*–15*	.....	.....
Total trust funds	O	1,997	1,910	1,840	.....
Total National Aeronautics and Space Administration.	BA	**3,550,306**	**931,835**	**3,722,792**	**4,018,189**
	O	3,669,503	953,028	3,706,090	3,901,189
VETERANS ADMINISTRATION					
Federal Funds					
General and special funds:					
Compensation and pensions:					
(Veterans service-connected compensation) 701	BA	**5,199,090**	**1,353,773**	**5,437,196**	**5,748,519**
				[A]**288,095**	
	O	5,154,419	1,321,144	5,469,389	5,712,893
				[A]264,008	[A]24,128
(Veterans non-service-connected pension) 701	BA	**2,884,041**	**736,652**	**2,781,315**	**3,179,432**
				[A]**298,968**	
		2,859,261	718,897	2,797,320	3,160,145
				[A]273,971	[A]24,956
(Other veterans income security programs) 701	BA	**166,069**	**49,275**	**175,539**	**188,849**
				[A]**1,387**	
					[J]**–79,500**
	O	164,643	48,087	177,041	187,262
				[A]1,271	[A]116
					[J]–79,500

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
VETERANS ADMINISTRATION—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Compensation and pensions:—Con.					
Total, compensation and pensions 701	BA	**8,249,200**	**2,139,700**	**8,394,050** **[A]588,450**	**9,116,800** **[J]–79,500**
	O	8,178,323	2,088,128	8,443,750 [A]539,250	9,060,300 [A]49,200 [J]–79,500
Readjustment benefits.....702	BA	**6,014,475**	**1,159,472**	**4,572,350** **[A]–588,450**	**3,245,225** **[J]–525,078**
	O	5,526,562	782,938	4,129,907	3,829,215 [J]–471,221
Veterans insurance and indemnities 701	BA	**6,600**	**2,450**	**7,000**	**2,465**
	O	6,146	1,737	7,726	3,151
Medical care.....703	BA	**3,854,456**	**1,015,070**	**4,218,032** **[A]34,967** **[C]35,000** **[D]117,583** **[J]–19,200**	**4,735,926** **[J]–158,144**
	O	3,694,959	953,611	4,348,101 [A]34,967 [J]–19,200	4,724,078 [J]–158,144
Research in health care.....703	BA	**97,309**	**25,527**	**101,633** **[D]3,436**	**108,000**
	O	93,559	23,889	104,867	108,000
Medical administration and miscellaneous operating expenses 703	BA	**38,528**	**10,230**	**39,941**	**42,238**
	O	35,655	9,758	39,941	42,238
General operating expenses.....705	BA	**483,300**	**121,230**	**508,383** **[A]3,400** **[C]500** **[D]17,000**	**557,423** **[J]–367**
	O	475,699	114,213	523,454 [A]2,900	555,923 [A]500 [J]–367
Construction of hospital and domiciliary facilities.....703	O	5,832	493	.....	.....
Construction, major projects.....703	BA	**297,464**	**15,860**	**405,681**	**430,489**
	O	138,705	31,848	184,110	241,000
Construction, minor projects.....703	BA	**106,426**	**16,490**	**92,001** **[D]790**	**95,606**
	O	43,101	10,544	110,744	109,000
Grants for construction of State extended care facilities.....703	BA	**10,000**	.....	**10,000**	**10,000** **[J]5,000**
	O	9,313	2,065	8,154	11,407 [J]2,500
Grants to the Republic of the Philippines.....703	BA	**2,100**	**525**	**2,100**	**2,100**
	O	1,796	468	2,162	2,100
Grants for construction and operation of State cemeteries..705	BA				**[J]4,750**
	O				[J]3,750
Assistance for health manpower training institutions.....703	BA	**30,000**	**8,332**	**35,000**	**48,000**
	O	22,680	5,899	36,820	52,391

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
VETERANS ADMINISTRATION—Continued					
Federal Funds—Continued					
Public enterprise funds:					
Loan guaranty revolving fund.....704	0	−21,794	−31,892	−32,000	85,000
Direct loan revolving fund 704	0	−43,027	−16,257	−231,000	−57,000
Canteen service revolving fund 705	0	−48	−454	−1,650	850
Service-disabled veterans insurance fund.....701	0	999	−310	−956	3,363
Veterans reopened insurance fund 701	0	−34,372	−2,586	−27,315	−25,872
Education loan fund.....702	0	4,950	700	13,583	12,932 [1]−12,914
Vocational rehabilitation revolving	BA	**100**	.....	.....	.....
fund.....702	0	−90	50	20	20
Intragovernmental funds:					
Supply fund: Indefinite.....705	BA	**29,001**	.....	.....	**20,000**
Liquidation of contract authority....		(80,999)	.....	.....	.....
	0	74,521	−12,096	9,400	10,000
Consolidated working fund 705	0	−738	268	500	.....
Total Federal funds Veterans Administration.	BA	**19,218,959**	**4,514,886**	**18,579,647**	**17,660,933**
	0	18,212,731	3,963,014	18,228,235	18,101,900
Trust Funds					
Post-Vietnam era veterans' education	BA	.....	.....	**5,940**	**30,792**
account: Permanent, indefinite.....702	0	.....	.....	60	459
General post fund, National Homes:	BA	**4,808**	**1,195**	**5,100**	**5,350**
Permanent, indefinite.....705	0	4,519	1,078	5,000	5,250
National service life insurance fund:	BA	**851,629**	**155,471**	**926,949**	**993,169**
Permanent 701	0	633,013	136,240	629,926	689,560
United States Government life	BA	**37,687**	**1,454**	**37,132**	**37,983**
insurance fund: Permanent, indefinite 701	0	71,297	12,155	65,903	69,633
Veterans special life insurance fund 701	0	−44,994	−4,854	−50,975	−51,460
Total trust funds Veterans Administration.	BA	**894,124**	**158,120**	**975,121**	**1,067,294**
	0	663,835	144,619	649,914	713,442
SUMMARY					
Federal funds:					
(As shown in detail above).....	BA	**19,218,959**	**4,514,886**	**18,579,647**	**17,660,933**
	0	18,212,731	3,963,014	18,228,235	18,101,900
Deductions for offsetting receipts:					
Proprietary receipts from the public.....700	BA 0	*−1,527*	*−1,400*	*−2,206*	*−2,206*
902	BA 0	*−22*	*−1*	*−21*	*−21*
Total Federal funds.....	BA	**19,217,410**	**4,513,485**	**18,577,420**	**17,658,706**
	0	18,211,182	3,961,613	18,226,008	18,099,673
Trust funds:					
(As shown in detail above).....	BA	**894,124**	**158,120**	**975,121**	**1,067,294**
	0	663,835	144,619	649,914	713,442
Deductions for offsetting receipts:					
Proprietary receipts from the public.....701	BA 0	*−458,042*	*−148,249*	*−497,954*	*−521,233*

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
VETERANS ADMINISTRATION—Continued					
SUMMARY—Continued					
Trust funds:—Continued					
702	BA	.....	.....	*–5,940*	*–30,690*
	O				
Total trust funds	BA	**436,082**	**9,871**	**471,227**	**515,371**
	O	205,793	–3,630	146,020	161,519
Interfund transactions 701	BA	**–2,140**	**–521**	**–2,036**	**–1,934**
	O				
702	BA	.....	.....	.....	**–102**
	O				
Total Veterans Administration	BA	**19,651,352**	**4,522,835**	**19,046,611**	**18,172,041**
	O	18,414,835	3,957,462	18,369,992	18,259,156
OTHER INDEPENDENT AGENCIES					
ACTION					
Federal Funds					
General and special funds:					
Operating expenses, international programs (Peace Corps) 151	BA	**81,266**	**24,190**	**80,000** [D]**667**	[K]**68,000**
	O	69,138	23,062	86,685	71,169
Operating expenses, domestic programs 451	BA	**103,110**	**21,077**	**108,200** [D]**910**	**95,390**
	O	107,823	24,847	110,469	96,652
Trust Funds					
Miscellaneous trust funds: Permanent, indefinite 151	BA	**322**	**57**	**235**	**195**
	O	241	50	235	195
Summary					
Federal funds:					
(As shown in detail above)	BA	**184,376**	**45,267**	**189,777**	**163,390**
	O	176,961	47,909	197,154	167,821
Deductions for offsetting receipts:					
Proprietary receipts from the public 150	BA	*75*	*–72*	*–34*	*–34*
	O				
Total Federal funds	BA	**184,451**	**45,195**	**189,743**	**163,356**
	O	177,036	47,837	197,120	167,787
Trust funds:					
(As shown in detail above)	BA	**322**	**57**	**235**	**195**
	O	241	50	235	195
Deductions for offsetting receipts:					
Proprietary receipts from the public 151	BA	*–266*	*–46*	*–160*	*–120*
	O				
Total trust funds	BA	**56**	**11**	**75**	**75**
	O	–25	4	75	75
Total ACTION	BA	**184,507**	**45,206**	**189,818**	**163,431**
	O	177,011	47,841	197,195	167,862

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
ADMINISTRATIVE CONFERENCE OF THE UNITED STATES					
Federal Funds					
General and special funds:					
Salaries and expenses.....751	BA	**785**	**196**	**880**	**914**
	0	696	219	865	899
ADVISORY COMMITTEE ON FEDERAL PAY					
Federal Funds					
General and special funds:					
Salaries and expenses.....805	BA	**135**	**34**	**215**	**220**
	0	67	22	204	218
ADVISORY COUNCIL ON HISTORIC PRESERVATION					
Federal Funds					
General and special funds:					
Salaries and expenses.....303	BA	.....	.....	**650**	**1,230**
				[A]**320**	
				[D]**29**	
	0	.....	.....	648	1,180
				[A]300	[A]20
AMERICAN BATTLE MONUMENTS COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses.....705	BA	**5,374**	**1,450**	**5,824**	**6,463**
	0	4,971	1,309	5,776	6,380
Trust Funds					
Contributions: Permanent, indefinite 705	BA	**18**	**195**	**25**	**25**
	0	–73	275	32	25
Summary					
Federal funds:					
(As shown in detail above).....	BA	**5,374**	**1,450**	**5,824**	**6,463**
	0	4,971	1,309	5,776	6,380
Deductions for offsetting receipts:					
Proprietary receipts from the public.....700	BA, 0	*–4*	*–1*	*–5*	*–4*
Total Federal funds.....	BA	**5,370**	**1,449**	**5,819**	**6,459**
	0	4,967	1,308	5,771	6,376
Trust funds:					
(As shown in detail above).....	BA	**18**	**195**	**25**	**25**
	0	–73	275	32	25
Total American Battle Monuments Commission.	BA	**5,388**	**1,644**	**5,844**	**6,484**
	0	4,894	1,583	5,803	6,401
ARMS CONTROL AND DISARMAMENT AGENCY					
Federal Funds					
General and special funds:					
Arms control and disarmament activities.....152	BA	**11,680**	**3,030**	**12,000**	[K]**13,255**
				[D]**200**	
	0	10,704	2,642	11,880	12,595

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
BOARD FOR INTERNATIONAL BROADCASTING					
Federal Funds					
General and special funds:					
Grants and expenses.....153	BA	**64,500**	**17,968**	**53,385**	**[K]58,730**
	O	59,340	21,265	55,242	58,738
CABINET COMMITTEE ON OPPORTUNITIES FOR SPANISH-SPEAKING PEOPLE					
Federal Funds					
General and special funds:					
Salaries and expenses.....506	O	11	.....	.....	.....
CENTRAL INTELLIGENCE AGENCY					
Federal Funds					
General and special funds:					
Payment to the Central Intelligence Agency retirement and disability fund.....054	BA	.....	.....	**28,300**	**35,100**
	O	.....	.....	28,300	35,100
CIVIL AERONAUTICS BOARD					
Federal Funds					
General and special funds:					
Salaries and expenses.....405	BA	**19,855**	**4,940**	**21,450**	**23,367**
				[D]950	
	O	19,725	4,729	22,281	23,248
Payments to air carriers.....405	BA	**60,695**	**11,573**	**73,911**	**69,576**
Contract authority, Permanent.....	BA	**3,578**	**6,096**	**2,934**	.....
Liquidation of contract authority....		.....	(3,578)	(6,096)	(2,934)
	O	71,343	17,479	76,780	69,490
Summary					
Federal funds:					
(As shown in detail above).....	BA	**84,128**	**22,609**	**99,245**	**92,943**
	O	91,068	22,208	99,061	92,738
Deductions for offsetting receipts:					
Proprietary receipts from the public.....400	BA, O	*–120*	*–13*	*–126*	*–131*
902	BA, O	*–8*	*–1*	*–3*	.....
Total Civil Aeronautics Board....	BA	**84,000**	**22,595**	**99,116**	**92,812**
	O	90,940	22,194	98,932	92,607
CIVIL SERVICE COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses.....805	BA	**97,533**	**24,705**	**102,328**	**110,930**
				[A]1,207	
				[D]3,992	
	O	102,612	25,877	106,163	110,793
				[A]1,207	
Limitation payable under trust funds.		(20,627)	(5,889)	(24,365)	(30,065)
				[D](962)	
Government payment for annuitants, employees health benefits.....551	BA	**347,969**	**98,844**	**451,844**	**506,467**
	O	345,873	98,844	451,844	506,467

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
CIVIL SERVICE COMMISSION—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Payment to civil service retirement and disability fund.....805	BA	**1,517,865**	**245**	**2,874,955**	**1,737,070**
				[A]**232,643**	
Permanent, indefinite.....	BA	**3,232,626**	.....	**4,179,627**	**5,184,409**
	O	4,750,491	245	7,054,582	6,921,479
				[A]232,643	
Federal Labor Relations Council: Salaries and expenses.....805	BA	**1,298**	**330**	**1,565**	**1,787**
				[D]**72**	
	O	1,223	299	1,629	1,787
Intergovernmental personnel assistance.....806	BA	**15,000**	**4,000**	**15,000**	.....
	O	15,220	3,602	15,300	6,748
Intragovernmental funds:					
Revolving fund.....805	O	3,103	−1,687	598	−1,757
Trust Funds					
Civil service retirement and disability fund.....602	BA			[A]**232,643**	
Permanent, indefinite.....	BA	**13,098,641**	**1,479,663**	**16,239,695**	**16,482,000**
	O	8,284,109	2,265,108	9,770,450	11,177,979
Employees health benefits fund.....551	O	−30,929	−9,823	−16,590	−30,051
Employees life insurance fund.....602	O	−401,601	−29,437	−443,998	−425,054
Retired employees health benefits fund 551	O	5,366	1,642	5,662	6,081
Summary					
Federal funds:					
(As shown in detail above).....	BA	**5,212,291**	**128,124**	**7,863,233**	**7,540,663**
	O	5,218,522	127,180	7,863,966	7,545,517
Deductions for offsetting receipts:					
Proprietary receipts from the public.....800	BA, O	*−1,046*	*−4*	*−196*	*−196*
902	BA, O	*−4*	.....	*−4*	*−4*
Total Federal funds.....	BA	**5,211,241**	**128,120**	**7,863,033**	**7,540,463**
	O	5,217,472	127,176	7,863,766	7,545,317
Trust funds:					
(As shown in detail above).....	BA	**13,098,641**	**1,479,663**	**16,472,338**	**16,482,000**
	O	7,856,945	2,227,490	9,315,524	10,728,955
Deductions for offsetting receipts:					
Intrafund transactions.....602	BA, O	*−3,485*	*−1,434*	*−10,060*	*−100*
Total trust funds.....	BA	**13,095,156**	**1,478,229**	**16,462,278**	**16,481,900**
	O	7,853,460	2,226,056	9,305,464	10,728,855
Interfund transactions.....602	BA, O	.....	.....	**−45,500**	**−49,100**
805	BA, O	**−4,750,491**	**−245**	**−7,287,225**	**−6,921,479**
Total Civil Service Commission..	BA	**13,555,906**	**1,606,104**	**16,992,586**	**17,051,784**
	O	8,320,441	2,352,987	9,836,505	11,303,593

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
COMMISSION OF FINE ARTS					
Federal Funds					
General and special funds:					
Salaries and expenses.....451	BA	**202**	**47**	**214**	**234**
				[D]8	
	O	184	60	227	234
COMMISSION ON CIVIL RIGHTS					
Federal Funds					
General and special funds:					
Salaries and expenses.....751	BA	**8,047**	**2,171**	**9,450**	[K]**10,540**
				[B]328	
				[D]300	
	O	7,863	1,873	9,883	10,450
				[B]325	[B]3
COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED					
Federal Funds					
General and special funds:					
Salaries and expenses.....505	BA	**261**	**64**	**316**	**344**
	O	245	57	315	344
COMMODITY FUTURES TRADING COMMISSION					
Federal Funds					
General and special funds:					
Commodity Futures Trading Commission.....403	BA	**11,483**	**2,902**	**12,615**	**13,096**
				[D]470	
	O	10,817	3,066	14,004	13,045
COMMUNITY SERVICES ADMINISTRATION					
Federal Funds					
General and special funds:					
Community services program:					
(Community development).....451	BA	**520,152**	**129,746**	**511,170**	**398,000**
				[D]883	
	O	462,304	123,727	528,000	448,000
(Training and employment).....504	O	2,016	81	2,000	2,000
Total, Community services program.	BA	**520,152**	**129,746**	**512,053**	**398,000**
	O	464,320	123,808	530,000	450,000
Trust Funds					
Gifts and contributions.....451	O	–18	.....	.....	.....
Summary					
Federal funds:					
(As shown in detail above).....	BA	**520,152**	**129,746**	**512,053**	**398,000**
	O	464,320	123,808	530,000	450,000
Deductions for offsetting receipts:					
Proprietary receipts from the public.....450	BA, O	*–42*	*–2*	*–10*	*–10*
902	BA, O	*–377*	*–20*	*–390*	*–390*
Total Federal funds.....	BA	**519,733**	**129,724**	**511,653**	**397,600**
	O	463,901	123,786	529,600	449,600

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
COMMUNITY SERVICES ADMINISTRATION —Continued					
Summary—Continued					
Trust funds:					
(As shown in detail above)	0	−18	.....	.....	.....
Total Community Services Administration.	BA	**519,733**	**129,724**	**511,653**	**397,600**
	0	463,883	123,786	529,600	449,600
CONSUMER PRODUCT SAFETY COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses.....553	BA	**39,564**	**9,955**	**39,000** [D]**934**	**40,152**
	0	38,361	10,191	45,920	39,011
Summary					
Federal funds:					
(As shown in detail above)	BA	**39,564**	**9,955**	**39,934**	**40,152**
	0	38,361	10,191	45,920	39,011
Deductions for offsetting receipts:					
Proprietary receipts from the public.....550	BA, 0	*−10*	*−2*	*−12*	*−12*
Total Consumer Product Safety Commission.	BA	**39,554**	**9,953**	**39,922**	**40,140**
	0	38,351	10,189	45,908	38,999
CORPORATION FOR PUBLIC BROADCASTING					
Federal Funds					
General and special funds:					
Public broadcasting fund.....503	BA	**78,500**	**17,500**	**103,000**	.....
Permanent	BA	.....	.....	.....	**107,150**
	0	70,000	26,000	103,000	107,150
DISTRICT OF COLUMBIA					
Federal Funds					
General and special funds:					
Federal payment to District of Columbia.....852	BA	**254,637**	**67,560**	**262,504** [A]**20,203**	[K]**318,116**
	0	231,800	90,396	262,504 [A]20,203	318,116
Loans for capital outlay.....451	BA	**210,000**	.....	**101,292**	[K]**160,000**
	0	115,000	80,000	175,400	175,100
Loans to stadium sinking fund: 451 Authority to spend public debt receipts, Permanent.	BA	**832**	.....	**832**	**832**
	0	832	.....	832	832
Repayable advances to the District of Columbia general fund: Permanent, indefinite.....852	BA	**40,000**	**15,000**	**40,000**	.....
	0	40,000	15,000	40,000	.....
Summary					
Federal funds:					
(As shown in detail above)	BA	**505,469**	**82,560**	**424,831**	**478,948**
	0	387,632	185,396	498,939	494,048
Deductions for offsetting receipts:					
Proprietary receipts from the public.....450	BA, 0	.....	*−12,286*	*−14,723*	*−17,979*

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
DISTRICT OF COLUMBIA—Continued					
Summary—Continued					
Federal funds:—Continued					
852	BA	*–40,000*	.....	*–77,750*	*–20,000*
	O				
Total District of Columbia.....	BA	**465,469**	**70,274**	**332,358**	**440,969**
	O	347,632	173,110	406,466	456,069
EMERGENCY LOAN GUARANTEE BOARD					
Federal Funds					
Public enterprise funds:					
Emergency loan guarantee fund...403	O	–6,957	–3,872	–5,715	–3,636
ENERGY INDEPENDENCE AUTHORITY					
Federal Funds					
General and special funds:					
Adjustment for net earnings or losses, Energy Independence Authority.....305	BA				[1]**42,000**
	O				[1]42,000
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses.....751	BA	**63,659**	**18,690**	**67,850**	**74,500**
				[2]**2,663**	
	O	59,068	16,209	68,420	71,865
Summary					
Federal funds:					
(As shown in detail above).....	BA	**63,659**	**18,690**	**70,513**	**74,500**
	O	59,068	16,209	68,420	71,865
Deductions for offsetting receipts:					
Intrafund transactions.....804	BA	*92*	.....	.....	.....
	O				
Proprietary receipts from the public.....750	BA	*–17*	*–5*	*–16*	*–16*
	O				
Total Equal Employment Opportunity Commission.	BA	**63,734**	**18,685**	**70,497**	**74,484**
	O	59,143	16,204	68,404	71,849
EXPORT-IMPORT BANK OF THE UNITED STATES					
Federal Funds					
Public enterprise funds:					
Export-Import Bank of the United States: 155					
Authority to spend public debt receipts, Permanent.	BA	**727,597**	**383,532**	**1,273,531**	**1,622,370**
	O	855,672	272,882	898,563	964,420
Limitation on administrative expenses.		(5,619,945)	(1,436,813)	(6,334,443)	(5,458,207)
Limitation on program activity.....		(11,416)	(3,053)	(12,081)	(12,695)

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
FARM CREDIT ADMINISTRATION					
Federal Funds					
Public enterprise funds:					
Revolving fund for administrative expenses.....351	0	1,001	–250	–73	.....
Limitation on administrative expenses.		(1,001)	(–250)	(–73)	.....
Summary					
Federal funds:					
(As shown in detail above).....	0	1,001	–250	–73	.....
Deductions for offsetting receipts:					
Proprietary receipts from the public.....350	BA 0	*–2*	.....	*–2*	*–2*
Total Farm Credit Administration.	BA	**–2**	.....	**–2**	**–2**
	0	999	–250	–75	–2
FEDERAL COMMUNICATIONS COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses.....403	BA	**50,938**	**12,746**	**54,696** [D]**2,215**	**59,826**
	0	52,502	12,764	57,312	60,111
Summary					
Federal funds:					
(As shown in detail above).....	BA	**50,938**	**12,746**	**56,911**	**59,826**
	0	52,502	12,764	57,312	60,111
Deductions for offsetting receipts:					
Proprietary receipts from the public.....400	BA 0	*–15*	*–8*	*–10*	*–10*
Total Federal Communications Commission.	BA	**50,923**	**12,738**	**56,901**	**59,816**
	0	52,487	12,756	57,302	60,101
FEDERAL DEPOSIT INSURANCE CORPORATION					
Trust Funds					
Federal Deposit Insurance Corporation 401	0	–478,330	133,280	–861,136	–379,002
FEDERAL ELECTION COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses.....806	BA	**5,000**	**1,250**	**6,000** [D]**180**	[K]**6,833**
	0	3,680	1,343	6,820	6,798
FEDERAL ENERGY ADMINISTRATION					
Federal Funds					
General and special funds:					
Salaries and expenses.....305	BA	**153,077**	**32,283**	**150,385** [A]**72,739** [C]**16** [D]**4,272**	**258,463**
	0	135,792	35,522	192,717 [A]43,968	239,916 [A]28,771
Strategic petroleum reserve: Indefinite.....305	BA	**313,375**	**600**	**47,344** [D]**148**	**1,543,869**
	0	.....	3,000	273,142	926,702

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
FEDERAL ENERGY ADMINISTRATION—Con.					
Federal Funds—Continued					
General and special funds:—Continued					
Payments to the U. S. Virgin Islands and Puerto Rico: Permanent.....852	BA	**4,802**	.....	.....	.....
	O	4,802	.....	.....	.....
Summary					
Federal funds:					
(As shown in detail above).....	BA	**471,254**	**32,883**	**274,904**	**1,802,332**
	O	140,594	38,522	509,827	1,195,389
Deductions for offsetting receipts:					
Proprietary receipts from the public.....305	BA, O	*7*	*–5*	*–19*	*–24*
902	BA, O	.....	*–65,111*	.....	.....
Total Federal Energy Administration.	BA	**471,261**	**–32,233**	**274,885**	**1,802,308**
	O	140,601	–26,594	509,808	1,195,365
FEDERAL HOME LOAN BANK BOARD					
Federal Funds					
General and special funds:					
Interest adjustment payments.....401	O	2,284	488	1,401	830
Public enterprise funds:					
Federal Home Loan Bank Board revolving fund.....401	O	286,620	–43,439	–1,111,720	–23,441
Limitation on administrative expenses.		(13,778)	(3,374)	(17,100) [p](100)	(17,050)
Limitation on nonadministrative expenses.		(20,237)	(5,064)	(24,520) [p](900)	(26,650)
Federal Savings and Loan Insurance Corporation fund.....401	O	–367,757	–135,216	–310,085	–400,832
Limitation on administrative expenses.		(582)	(272)	(875)	(870)
Total Federal Home Loan Bank Board.	O	–78,853	–178,167	–1,420,404	–423,443
FEDERAL MARITIME COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses.....406	BA	**8,040**	**2,035**	**8,300** [p]**340**	**8,901**
	O	7,815	1,897	8,570	8,850
Summary					
Federal funds:					
(As shown in detail above).....	BA	**8,040**	**2,035**	**8,640**	**8,901**
	O	7,815	1,897	8,570	8,850
Deductions for offsetting receipts:					
Proprietary receipts from the public.....400	BA, O	*–31*	*–4*	*–40*	*–40*
Total Federal Maritime Commission.	BA	**8,009**	**2,031**	**8,600**	**8,861**
	O	7,784	1,893	8,530	8,810

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
FEDERAL MEDIATION AND CONCILIATION SERVICE					
Federal Funds					
General and special funds:					
Salaries and expenses 505	BA	**18,332**	**4,626**	**20,328**	**21,932**
				[D]**849**	
	O	17,909	4,336	20,489	21,799
Summary					
Federal funds:					
(As shown in detail above).....	BA	**18,332**	**4,626**	**21,177**	**21,932**
	O	17,909	4,336	20,489	21,799
Deductions for offsetting receipts:					
Proprietary receipts from the public.....500	BA, O	*–1*	.....	*–1*	*–1*
Total Federal Mediation and Conciliation Service.	BA	**18,331**	**4,626**	**21,176**	**21,931**
	O	17,908	4,336	20,488	21,798
FEDERAL METAL AND NONMETALLIC MINE SAFETY BOARD OF REVIEW					
Federal Funds					
General and special funds:					
Salaries and expenses 553	O	5	.....	.....	.....
FEDERAL POWER COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses: Indefinite.305	BA	**36,560**	**8,888**	**41,582**	**42,785**
				[C]**43**	
				[D]**1,547**	
	O	35,635	8,542	42,933	42,857
Payments to States under Federal Power Act: Permanent, indefinite 852	BA	**107**	.....	**85**	**85**
	O	84	107	85	85
Summary					
Federal funds:					
(As shown in detail above).....	BA	**36,667**	**8,888**	**43,257**	**42,870**
	O	35,719	8,649	43,018	42,942
Deductions for offsetting receipts:					
Proprietary receipts from the public.....300	BA, O	*–15*	*–10*	*–15*	*–15*
Total Federal Power Commission.	BA	**36,652**	**8,878**	**43,242**	**42,855**
	O	35,704	8,639	43,003	42,927
FEDERAL TRADE COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses 403	BA	**47,199**	**12,543**	**52,700**	[K]**59,543**
				[D]**1,980**	
	O	43,960	11,140	54,330	58,059
Summary					
Federal funds:					
(As shown in detail above).....	BA	**47,199**	**12,543**	**54,680**	**59,543**
	O	43,960	11,140	54,330	58,059

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
FEDERAL TRADE COMMISSION—Continued					
Summary—Continued					
Federal funds:—Continued					
Deductions for offsetting receipts:					
Proprietary receipts from the public.....400	BA O	*–231*	*–22*	*–37*	*–37*
Total Federal Trade Commission	BA	**46,968**	**12,521**	**54,643**	**59,506**
	O	43,729	11,118	54,293	58,022
FOREIGN CLAIMS SETTLEMENT COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses.....152	BA	**1,400**	**375**	**650** **[A]75** **[D]17**	**929**
	O	1,265	286	789 [A]67	795 [A]8
Payment of Vietnam prisoner of war claims.....152	O	34	143	400	125
Total Foreign Claims Settlement Commission.	BA	**1,400**	**375**	**742**	**929**
	O	1,299	429	1,256	928
HISTORICAL AND MEMORIAL COMMISSIONS					
Harry S Truman Scholarship Foundation					
Federal Funds					
General and special funds:					
Payment to the Harry S Truman memorial scholarship trust fund 502	BA	**10,000**	.....	**20,000**	.....
	O	10,000	.....	20,000	.....
Trust Funds					
Harry S Truman memorial scholarship trust fund.....502	O	–10,566	467	–21,957	–1,716
Summary					
Federal funds:					
(As shown in detail above).....	BA	**10,000**	.....	**20,000**	.....
	O	10,000	.....	20,000	.....
Trust funds:					
(As shown in detail above).....	O	–10,566	467	–21,957	–1,716
Total Harry S Truman Scholarship Foundation.	BA	**10,000**	.....	**20,000**	.....
	O	–566	467	–1,957	–1,716
American Revolution Bicentennial Administration					
Federal Funds					
General and special funds:					
Salaries and expenses: Indefinite.806	BA	**9,462**	**1,743**	**65**	.....
	O	18,315	3,490	3,240	.....
Commemorative activities fund: Permanent, indefinite.....806	BA	**18,149**	**7,996**	**4,364**	.....
	O	13,192	9,922	13,496	.....
Trust Funds					
Gifts and donations: Permanent.....806	BA	**6**	.....	.....	.....
	O	3	7	.....	.....

See footnotes at end of table.

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OTHER INDEPENDENT AGENCIES—Continued					
HISTORICAL AND MEMORIAL COMMISSIONS—Continued					
American Revolution Bicentennial Administration—Continued					
Summary					
Federal funds:					
(As shown in detail above)	BA	**27,611**	**9,739**	**4,429**	.....
	O	31,507	13,412	16,736	.....
Deductions for offsetting receipts:					
Proprietary receipts from the public.....800	BA, O	*–18,161*	*–7,999*	*–4,564*	.....
Total Federal funds	BA	**9,450**	**1,740**	**–135**	.....
	O	13,346	5,413	12,172	.....
Trust funds:					
(As shown in detail above)	BA	**6**	.....	.....	.....
	O	3	7	.....	.....
Total American Revolution Bicentennial Administration.	BA	**9,456**	**1,740**	**–135**	.....
	O	13,349	5,420	12,172	.....
Other Historical and Memorial Agencies					
Federal Funds					
General and special funds:					
Franklin Delano Roosevelt Memorial Commission: Salaries and expenses.....806	BA	.....	**6**	**29**	**30**
	O	14	3	36	28
Miscellaneous appropriations.....806	O	.....	.....	7	.....
Trust Funds					
Civil War Centennial Commission: Donations.....806	O	.....	.....	1	.....
Summary					
Federal funds:					
(As shown in detail above)	BA	.....	**6**	**29**	**30**
	O	14	3	43	28
Trust funds:					
(As shown in detail above)	O	.....	.....	1	.....
Total Other Historical and Memorial Agencies.	BA	.....	**6**	**29**	**30**
	O	14	3	44	28
Total Federal funds Historical and Memorial Commissions.	BA	**19,450**	**1,746**	**19,894**	**30**
	O	23,360	5,416	32,215	28
Total trust funds Historical and Memorial Commissions.	BA	**6**	.....	.....	.....
	O	–10,563	474	–21,956	–1,716
INDIAN CLAIMS COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses.....752	BA	**1,411**	**366**	**1,525** [D]**35**	[K]**1,545**
	O	1,338	332	1,557	1,548

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OTHER INDEPENDENT AGENCIES—Continued					
INTERGOVERNMENTAL AGENCIES					
Advisory Commission on Intergovernmental Relations					
Federal Funds					
General and special funds:					
Salaries and expenses.....806	BA	**1,200**	**306**	**1,301** [A]**99** [P]**31**	**1,600**
	O	1,164	371	1,437 [A]49	1,600 [A]50
Intragovernmental funds:					
Consolidated working fund.....806	O	315	–46	133	.....
Trust Funds					
Contributions: Permanent, indefinite 806	BA	**35**	.....	**30**	**60**
	O	40	–10	46	60
Summary					
Federal funds:					
(As shown in detail above).....	BA	**1,200**	**306**	**1,431**	**1,600**
	O	1,479	325	1,619	1,650
Trust funds:					
(As shown in detail above).....	BA	**35**	.....	**30**	**60**
	O	40	–10	46	60
Total Advisory Commission on Intergovernmental Relations.	BA	**1,235**	**306**	**1,461**	**1,660**
	O	1,519	315	1,665	1,710
Appalachian Regional Commission					
Federal Funds					
General and special funds:					
Salaries and expenses.....452	BA	**1,870**	**495**	**1,897** [P]**13**	**2,045**
	O	1,855	490	1,910	2,045
Intragovernmental funds:					
Consolidated working fund.....452	O	471	126	.....	.....
Trust Funds					
Miscellaneous trust funds: Permanent, indefinite.....452	BA	**3,370**	**891**	**3,806**	**4,110**
	O	3,251	823	4,018	4,260
Summary					
Federal funds:					
(As shown in detail above).....	BA	**1,870**	**495**	**1,910**	**2,045**
	O	2,326	616	1,910	2,045
Trust funds:					
(As shown in detail above).....	BA	**3,370**	**891**	**3,806**	**4,110**
	O	3,251	823	4,018	4,260
Deductions for offsetting receipts: Proprietary receipts from the public.....452	BA O	*–1,560*	*–414*	*–1,573*	*–1,700*
Total trust funds.....	BA	**1,810**	**477**	**2,233**	**2,410**
	O	1,691	409	2,445	2,560
Interfund transactions.....452	BA O	**–1,810**	**–477**	**–2,233**	**–2,410**
Total Appalachian Regional Commission.	BA	**1,870**	**495**	**1,910**	**2,045**
	O	2,207	548	2,122	2,195

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
INTERGOVERNMENTAL AGENCIES—Continued					
Delaware River Basin Commission					
Federal Funds					
General and special funds:					
Salaries and expenses 301	BA	**81**	**20**	**83**	**87**
				[D]3	
	O	83	21	87	87
Contribution to Delaware River Basin Commission.....301	BA	**215**	**53**	**198**	**232**
	O	195	53	171	232
Total Delaware River Basin Commission.	BA	**296**	**73**	**284**	**319**
	O	278	74	258	319
Interstate Commission on the Potomac River Basin					
Federal Funds					
General and special funds:					
Contribution to Interstate Commission on the Potomac River Basin.....304	BA	**52**	**13**	**52**	**52**
	O	52	13	52	52
Susquehanna River Basin Commission					
Federal Funds					
General and special funds:					
Salaries and expenses 301	BA	**81**	**20**	**83**	**88**
				[D]3	
	O	84	22	87	88
Contribution to Susquehanna River Basin Commission 301	BA	**150**	**38**	**150**	**200**
	O	150	38	150	200
Total Susquehanna River Basin Commission.	BA	**231**	**58**	**236**	**288**
	O	234	60	237	288
Washington Metropolitan Area Transit Authority					
Federal Funds					
General and special funds:					
Federal contribution 404	BA	**48,845**	**26,700**	**26,174**	**22,074**
Permanent.....	BA	**50,879**	.....	**90,059**	**15,422**
	O	169,808	51,678	314,574	179,374
Summary					
Federal funds:					
(As shown in detail above).....	BA	**103,373**	**27,645**	**120,146**	**41,800**
	O	174,177	52,766	318,650	183,728
Trust funds:					
(As shown in detail above).....	BA	**3,405**	**891**	**3,836**	**4,170**
	O	3,291	813	4,064	4,320
Deductions for offsetting receipts:					
Proprietary receipts from the public.....452	BA O	*–1,560*	*–414*	*–1,573*	*–1,700*
Total trust funds.....	BA	**1,845**	**477**	**2,263**	**2,470**
	O	1,731	399	2,491	2,620
Interfund transactions.....452	BA O	**–1,810**	**–477**	**–2,233**	**–2,410**
Total Intergovernmental Agencies.	BA	**103,408**	**27,645**	**120,176**	**41,860**
	O	174,098	52,688	318,908	183,938

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OTHER INDEPENDENT AGENCIES—Continued					
INTELLIGENCE COMMUNITY OVERSIGHT					
Federal Funds					
General and special funds:					
Intelligence community staff 054	BA	.....	.....	**5,600**	**10,500**
				[A]3,800	
				[D]219	
				[E]16	
	O	.....	.....	5,335	10,250
				[A]3,800	
INTERNATIONAL TRADE COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses 152	BA	**10,400**	**2,675**	**11,350**	**12,187**
				[D]490	
	O	9,715	2,472	12,125	12,147
INTERSTATE COMMERCE COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses 404	BA	**52,455**	**14,060**	**57,036**	**61,566**
				[A]2,500	
				[D]2,250	
	O	51,263	12,769	58,706	60,566
				[A]1,250	[A]1,250
Payments for directed rail service 404	BA	**15,000**	.....	.....	.....
	O	390	.....	910	750
Summary					
Federal funds:					
(As shown in detail above)	BA	**67,455**	**14,060**	**61,786**	**61,566**
	O	51,653	12,769	60,866	62,566
Deductions for offsetting receipts:					
Proprietary receipts from the public 400	BA, O	*–4,213*	*–187*	*–230*	*–230*
Total Interstate Commerce Commission.	BA	**63,242**	**13,873**	**61,556**	**61,336**
	O	47,440	12,582	60,636	62,336
JAPAN-UNITED STATES FRIENDSHIP COMMISSION					
Federal Funds					
General and special funds:					
Japan-United States friendship trust fund 153	BA	**18,000**	.....	.....	.....
	O	17,928	.....	.....	.....
Trust Funds					
Japan-United States friendship trust fund 153	BA	**17,923**	.....	.....	**1,000**
	O	.....	–58	580	1,000
Summary					
Federal funds:					
(As shown in detail above)	BA	**18,000**	.....	.....	.....
	O	17,928	.....	.....	.....

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
JAPAN-UNITED STATES FRIENDSHIP COMMISSION—Continued					
Summary—Continued					
Trust funds:					
(As shown in detail above)	BA	**17,923**	.....	.....	**1,000**
	O	.....	–58	580	1,000
Interfund transactions.....153	BA	**–17,923**	.....	.....	.....
	O				
Total Japan-United States Friendship Commission.	BA	**18,000**	.....	.....	**1,000**
	O	5	–58	580	1,000
LEGAL SERVICES CORPORATION					
Federal Funds					
General and special funds:					
Payment to the Legal Services Corporation.....751	BA	**92,330**	**24,630**	**125,000**	**[K]90,000**
	O	84,634	51,769	125,004	90,000
MARINE MAMMAL COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses: Indefinite.302	BA	**900**	**225**	**1,000**	**[K]900**
	O	795	204	950	880
NATIONAL CAPITAL PLANNING COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses.....451	BA	**1,871**	**419**	**1,904**	**1,819**
				[D]65	
	O	1,908	293	2,109	1,819
NATIONAL CENTER FOR PRODUCTIVITY AND QUALITY OF WORKING LIFE					
Federal Funds					
General and special funds:					
Salaries and expenses.....403	BA	**2,000**	**500**	**2,750**	**5,000**
	O	1,891	672	2,653	5,600
NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE					
Federal Funds					
General and special funds:					
Salaries and expenses.....503	BA	**468**	**117**	**493**	**563**
				[A]3,500	
				[D]15	
	O	280	.....	697	580
				[A]1,058	[A]1,290
NATIONAL CREDIT UNION ADMINISTRATION					
Federal Funds					
Public enterprise funds:					
Operating fund.....401	O	–72	–266	–53	–250
Credit union share insurance fund 401	O	–19,825	3,797	–26,209	–30,888
Total National Credit Union Administration.	O	–19,897	3,531	–26,262	–31,138

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES					
Federal Funds					
General and special funds:					
Salaries and expenses.....503	BA	**157,410**	**56,914**	**166,000** **[A]5,000** **[D]579**	**192,500**
Appropriation, Current, indefinite...	BA	**15,000**	**1,000**	**14,500** **[A]24,000**	**51,000**
	0	144,350	42,156	249,921 [A]15,300	285,858 [A]13,700
Intragovernmental funds:					
Consolidated working fund.....503	0	–65	7	109	.....
Trust Funds					
Gifts and donations: Permanent, indefinite.....503	BA	**7,578**	**1,733**	**42,632**	**51,000**
	0	7,578	1,733	42,632	51,000
Summary					
Federal funds:					
(As shown in detail above).....	BA	**172,410**	**57,914**	**210,079**	**243,500**
	0	144,285	42,163	265,330	299,558
Deductions for offsetting receipts:					
Proprietary receipts from the public.....500	BA 0	*–1*	.....	.....	.....
902	BA 0	*–2*	.....	.....	.....
Total Federal funds.....	BA	**172,407**	**57,914**	**210,079**	**243,500**
	0	144,282	42,163	265,330	299,558
Trust funds:					
(As shown in detail above).....	BA	**7,578**	**1,733**	**42,632**	**51,000**
	0	7,578	1,733	42,632	51,000
Total National Foundation on the Arts and the Humanities.	BA	**179,985**	**59,647**	**252,711**	**294,500**
	0	151,860	43,896	307,962	350,558
NATIONAL LABOR RELATIONS BOARD					
Federal Funds					
General and special funds:					
Salaries and expenses: Indefinite.505	BA	**69,597**	**17,593**	**77,776** **[C]20** **[D]3,112**	**88,520**
	0	67,658	15,753	82,200	88,320
Summary					
Federal funds:					
(As shown in detail above).....	BA	**69,597**	**17,593**	**80,908**	**88,520**
	0	67,658	15,753	82,200	88,320
Deductions for offsetting receipts:					
Proprietary receipts from the public.....500	BA 0	*–192*	*–36*	*–207*	*–227*
Total National Labor Relations Board.	BA	**69,405**	**17,557**	**80,701**	**88,293**
	0	67,466	15,717	81,993	88,093

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
NATIONAL MEDIATION BOARD					
Federal Funds					
General and special funds:					
Salaries and expenses.....505	BA	**3,405**	**850**	**3,606** [D]**54**	**3,703**
	O	3,025	829	3,550	3,586
Summary					
Federal funds:					
(As shown in detail above).....	BA	**3,405**	**850**	**3,660**	**3,703**
	O	3,025	829	3,550	3,586
Deductions for offsetting receipts:					
Proprietary receipts from the public.....500	BA O	*–5*	*–1*	*–5*	*–5*
Total National Mediation Board.	BA	**3,400**	**849**	**3,655**	**3,698**
	O	3,020	828	3,545	3,581
NATIONAL SCIENCE FOUNDATION					
Federal Funds					
General and special funds:					
Salaries and expenses.....251	BA	**711,250**	**167,555**	**769,000** [C]**19** [D]**1,997** [E]**475**	**879,000**
	O	729,212	204,626	728,669	815,300
Scientific activities (special foreign currency program).....251	BA	**4,000**	**500**	**4,600**	**6,000**
	O	4,791	1,136	4,000	5,000
Intragovernmental funds:					
Consolidated working fund.....251	O	–2,813	441	1,000	1,000
Trust Funds					
Donations: Permanent, indefinite.....251	BA	**1,605**	**1,302**	**3,000**	**4,000**
	O	2,287	606	3,000	4,000
Summary					
Federal funds:					
(As shown in detail above).....	BA	**715,250**	**168,055**	**776,091**	**885,000**
	O	731,190	206,203	733,669	821,300
Deductions for offsetting receipts:					
Proprietary receipts from the public.....250	BA O	*–1,570*	*–335*	*–278*	*–278*
902	BA O	*–1*	.....	*–22*	*–22*
Total Federal funds.....	BA	**713,679**	**167,720**	**775,791**	**884,700**
	O	729,619	205,868	733,369	821,000
Trust funds:					
(As shown in detail above).....	BA	**1,605**	**1,302**	**3,000**	**4,000**
	O	2,287	606	3,000	4,000
Total National Science Foundation.	BA	**715,284**	**169,022**	**778,791**	**888,700**
	O	731,906	206,474	736,369	825,000
NATIONAL TRANSPORTATION SAFETY BOARD					
Federal Funds					
General and special funds:					
Salaries and expenses.....407	BA	**11,260**	**3,095**	**13,800**	**14,710**
	O	11,311	2,981	14,200	14,650

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OTHER INDEPENDENT AGENCIES—Continued					
NATIONAL TRANSPORTATION SAFETY BOARD—Continued					
Summary					
Federal funds:					
(As shown in detail above)	BA	**11,260**	**3,095**	**13,800**	**14,710**
	O	11,311	2,981	14,200	14,650
Deductions for offsetting receipts:					
Proprietary receipts from the public.....400	BA, O	*–14*	*–5*	*–13*	*–13*
Total National Transportation Safety Board.	BA	**11,246**	**3,090**	**13,787**	**14,697**
	O	11,297	2,976	14,187	14,637
NUCLEAR REGULATORY COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses.....305	BA	**217,423**	**52,125**	**244,430**	.....
				[D]**4,350**	
Appropriation, Current, indefinite...	BA	.....	.....	.....	[K]**292,150**
	O	180,410	45,838	236,050	271,450
Summary					
Federal funds:					
(As shown in detail above)	BA	**217,423**	**52,125**	**248,780**	**292,150**
	O	180,410	45,838	236,050	271,450
Deductions for offsetting receipts:					
Proprietary receipts from the public.....300	BA, O	*–454*	*–19*	.....	.....
Total Nuclear Regulatory Commission.	BA	**216,969**	**52,106**	**248,780**	**292,150**
	O	179,956	45,819	236,050	271,450
OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses.....553	BA	**5,769**	**1,464**	**6,280**	**7,150**
				[D]**150**	
	O	5,853	781	7,261	6,961
PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION					
Federal Funds					
General and special funds:					
Salaries and expenses.....451	BA	**824**	**218**	**1,000**	**13,690**
				[A]**4,081**	
				[D]**35**	
Authority to spend public debt receipts.	BA	.....	.....	.....	**7,500**
Authority to spend public debt receipts.				[A]**25,000**	
	O	870	152	1,264	19,173
				[A]22,294	[A]6,787

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
POSTAL SERVICE					
Federal Funds					
General and special funds:					
Payment to the Postal Service fund 402	BA	**1,708,416**	**934,130**	**1,766,170** [4]**505,900**	**1,472,290**
	0	1,719,650	937,742	1,766,170 [4]505,900	1,472,290
RAILROAD RETIREMENT BOARD					
Federal Funds					
General and special funds:					
Payments to Railroad Retirement Trust Fund.....601	BA	**250,000**	.....	**250,000**	**250,000**
	0	250,000	.....	250,000	250,000
Regional rail transportation protective account.....604	BA	**37,600**	**10,030**	**40,000**	**50,000**
	0	668	9,284	40,000	50,000
Trust Funds					
Railroad retirement account: Indefinite 601	BA				[1]**12,000**
Permanent, indefinite.....	BA	**3,235,042**	**374,398**	**3,663,600**	**3,906,600**
	0	3,474,662	920,629	3,727,238	3,895,743
Limitation on salaries and expenses..		(29,492)	(7,308)	(33,723)	(33,282)
Summary					
Federal funds:					
(As shown in detail above).....	BA	**287,600**	**10,030**	**290,000**	**300,000**
	0	250,668	9,284	290,000	300,000
Deductions for offsetting receipts:					
Proprietary receipts from the public.....600	BA } 0 }	*–1*	.....	.....	.....
Total Federal funds.....	BA	**287,599**	**10,030**	**290,000**	**300,000**
	0	250,667	9,284	290,000	300,000
Trust funds:					
(As shown in detail above).....	BA	**3,235,042**	**374,398**	**3,663,600**	**3,918,600**
	0	3,474,662	920,629	3,727,238	3,895,743
Deductions for offsetting receipts:					
Intrafund transactions.....902	BA } 0 }	*6,773*	*6,879*	.....	*10,000*
Total trust funds.....	BA	**3,241,815**	**381,277**	**3,663,600**	**3,928,600**
	0	3,481,435	927,508	3,727,238	3,905,743
Interfund transactions.....601	BA } 0 }	**–250,000**	.....	**–250,000**	**–250,000**
Total Railroad Retirement Board.	BA	**3,279,414**	**391,307**	**3,703,600**	**3,978,600**
	0	3,482,102	936,792	3,767,238	3,955,743
RENEGOTIATION BOARD					
Federal Funds					
General and special funds:					
Salaries and expenses.....054	BA	**5,566**	**1,388**	**5,700** [2]**302**	**6,285**
	0	5,563	1,287	5,956	6,251
Summary					
Federal funds:					
(As shown in detail above).....	BA	**5,566**	**1,388**	**6,002**	**6,285**
	0	5,563	1,287	5,956	6,251

See footnotes at end of table.

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
RENEGOTIATION BOARD—Continued					
Summary—Continued					
Federal funds:—Continued					
Deductions for offsetting receipts:					
Proprietary receipts from the public.....050	BA O	*–1*	*–1*	*–3*	*–3*
Total Renegotiation Board.....	BA	**5,565**	**1,387**	**5,999**	**6,282**
	O	5,562	1,286	5,953	6,248
SECURITIES AND EXCHANGE COMMISSION					
Federal Funds					
General and special funds:					
Salaries and expenses.....403	BA	**49,291**	**13,177**	**53,000** **[A]2,000** **[D]2,390**	**58,290**
	O	50,641	11,574	56,559 [A]1,890	58,195 [A]110
Summary					
Federal funds:					
(As shown in detail above).....	BA	**49,291**	**13,177**	**57,390**	**58,290**
	O	50,641	11,574	58,449	58,305
Deductions for offsetting receipts:					
Proprietary receipts from the public.....400	BA O	*–23*	*–6*	*–24*	*–24*
Total Securities and Exchange Commission.	BA	**49,268**	**13,171**	**57,366**	**58,266**
	O	50,618	11,568	58,425	58,281
SELECTIVE SERVICE SYSTEM					
Federal Funds					
General and special funds:					
Salaries and expenses.....054	BA	**37,500**	**6,525**	**6,800** **[A]870** **[D]124** **[E]139**	**6,300**
	O	37,494	3,993	10,569 [A]850	6,410 [A]20
Summary					
Federal funds:					
(As shown in detail above).....	BA	**37,500**	**6,525**	**7,933**	**6,300**
	O	37,494	3,993	11,419	6,430
Deductions for offsetting receipts:					
Proprietary receipts from the public.....050	BA O	*–1*	.....	.....	.....
Total Selective Service System...	BA	**37,499**	**6,525**	**7,933**	**6,300**
	O	37,493	3,993	11,419	6,430
SMALL BUSINESS ADMINISTRATION					
Federal Funds					
General and special funds:					
Salaries and expenses.....403	BA	**29,485**	**7,218**	**35,400** **[D]1,070**	**43,150**
	O	33,863	5,960	35,970	42,050

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
SMALL BUSINESS ADMINISTRATION—Con.					
Federal Funds—Continued					
Public enterprise funds:					
Business loan and investment fund 403	BA	**278,750**	.....	**601,600** H–60,000	**537,000**
	O	252,796	63,454	377,300 H–42,000	380,800 H–18,000
Disaster loan fund 453	BA	**100,000**	.....	**90,000**	**20,000**
Permanent, indefinite	BA	.....	**1,196**	**172**	**403**
	O	129,302	5,826	108,000	81,000
Lease guarantees revolving fund..403	BA	.....	.....	**3,000**	**4,000**
	O	2,992	614	2,480	3,350
Surety bond guarantees revolving fund.....403	BA	**10,000**	**2,500**	**36,000**	**19,000**
	O	17,230	2,293	20,000	25,000
Pollution control equipment contract guarantee revolving fund 403	BA	.....	.....	**15,000**	.....
	O	.....	.....	–1,000	–3,025
Summary					
Federal funds:					
(As shown in detail above).....	BA	**418,235**	**10,914**	**722,242**	**623,553**
	O	436,183	78,147	500,750	511,175
Deductions for offsetting receipts: Proprietary receipts from the public.....400	BA O	*–20*	*–3*	.....	.....
Total Small Business Administration.	BA	**418,215**	**10,911**	**722,242**	**623,553**
	O	436,163	78,144	500,750	511,175
SMITHSONIAN INSTITUTION					
Federal Funds					
General and special funds:					
Salaries and expenses 503	BA	**81,564**	**22,629**	**82,106** C959 D2,367	**89,033**
	O	81,910	22,217	85,479	88,984
Museum programs and related research (special foreign currency program) 503	BA	**500**	.....	**3,481**	**4,500**
	O	1,765	330	3,421	3,600
Science information exchange 251	BA	**1,940**	**521**	**1,900** D77	**1,977**
	O	2,267	491	1,977	1,977
Construction and improvements, National Zoological Park.....503	BA	**8,390**	**1,440**	**6,580**	**1,000**
	O	7,993	2,585	10,353	5,608
Restoration and renovation of buildings.....503	BA	**1,192**	**400**	**2,950**	**9,700**
	O	3,026	442	3,390	4,755
Construction 503	BA	.....	.....	.....	**325**
Liquidation of contract authority....		(2,500)	.....	.....	.....
	O	6,940	1,991	2,538	478
Miscellaneous appropriations.....503	O	34	.....	7	.....
Salaries and expenses, National Gallery of Art.....503	BA	**7,759**	**2,021**	**12,309** C136 D265	**14,717**
	O	7,705	2,031	11,718	14,804

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
SMITHSONIAN INSTITUTION—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
Salaries and expenses, Woodrow Wilson International Center for Scholars.....503	BA	**975**	**242**	**1,120** [p]21	**1,306**
	O	889	339	1,205	1,306
Trust Funds					
Smithsonian Institution trust funds: Permanent.....251	BA	**44**	**12**	**55**	**55**
	O	54	5	67	58
Summary					
Federal funds:					
(As shown in detail above).....	BA	**102,320**	**27,253**	**114,271**	**122,558**
	O	112,529	30,426	120,088	121,512
Deductions for offsetting receipts: Proprietary receipts from the public.....500	BA, O	*191*	*–8*	*–29*	*–29*
Total Federal funds.....	BA	**102,511**	**27,245**	**114,242**	**122,529**
	O	112,720	30,418	120,059	121,483
Trust funds:					
(As shown in detail above).....	BA	**44**	**12**	**55**	**55**
	O	54	5	67	58
Total Smithsonian Institution.....	BA	**102,555**	**27,257**	**114,297**	**122,584**
	O	112,774	30,423	120,126	121,541
TEMPORARY STUDY COMMISSIONS					
Joint Federal-State Land Use Planning Commission for Alaska					
Federal Funds					
General and special funds:					
Salaries and expenses.....452	BA	**764**	**120**	**737**	**712**
	O	851	109	679	789
Trust Funds					
Cooperative funds: Permanent, indefinite.....452	BA	**633**	**90**	**614**	**586**
	O	468	92	614	586
Summary					
Federal funds:					
(As shown in detail above).....	BA	**764**	**120**	**737**	**712**
	O	851	109	679	789
Trust funds:					
(As shown in detail above).....	BA	**633**	**90**	**614**	**586**
	O	468	92	614	586
Deductions for offsetting receipts: Proprietary receipts from the public.....452	BA, O	*–633*	*–90*	*–614*	*–586*
Total trust funds.....	O	–165	2	.....	.....
Total Joint Federal-State Land Use Planning Commission for Alaska.	BA	**764**	**120**	**737**	**712**
	O	686	111	679	789

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

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OTHER INDEPENDENT AGENCIES—Continued					
TEMPORARY STUDY COMMISSIONS—Con.					
Other Temporary Commissions					
Federal Funds					
General and special funds:					
Commission on American Shipbuilding: Salaries and expenses.....406	0	.....	12	.....	.....
Commission on Executive, Legislative, and Judicial Salaries: Salaries and expenses.....805	BA	.....	.....	**100**	.....
	0	.....	.....	100	.....
Commission on Federal Paperwork: Salaries and Expenses.....804	BA	**4,100**	**2,000**	.....	.....
				[1]**4,200**	
	0	1,285	1,367	2,854	.....
				[1]3,700	[1]500
Commission on Highway Beautification: Salaries and expenses.....404	0	16	.....	.....	.....
Commission on the Organization of the Government for the Conduct of Foreign Policy: Salaries and expenses.....152	0	194	.....	5	.....
Commission on the Review of the National Policy toward Gambling: Salaries and expenses.....751	BA	**745**	**186**	**265**	.....
	0	1,085	202	366	.....
Defense Manpower Commission: Salaries and expenses.....054	BA	**1,300**	.....	.....	.....
	0	1,301	131	41	.....
Lowell Historic Canal District Commission: Salaries and expenses.....303	BA	**120**	**30**	.....	.....
	0	54	58	38	.....
National Commission for the Review of Federal and State Laws.....751	BA	**400**	.....	.....	.....
	0	322	106	26	.....
National Commission on Electronic Fund Transfers: Salaries and expenses.....403	BA	.....	.....	**1,300**	**200**
	0	193	205	1,280	322
President's Council on Youth Opportunity: Salaries and expenses.....505	0	−10	.....	.....	.....
National Commission on Materials Policy: Salaries and expenses..403	0	1	.....	17	.....
National Commission on Supplies and Shortages: Salaries and expenses.....403	BA	**748**	**295**	**360**	.....
	0	563	377	729	.....
National Commission on the Financing of Postsecondary Education: Salaries and expenses 502	0	−19	.....	13	.....
National Commission on Water Quality: Salaries and expenses 304	BA	**175**	.....	.....	.....
	0	7,320	177	10	.....
National Transportation Policy Study Commission: Salaries and expenses.....407	BA	.....	.....	**1,000**	**1,000**
	0	.....	.....	800	1,100

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
TEMPORARY STUDY COMMISSIONS—Con.					
Other Temporary Commissions—Continued					
Federal Funds—Continued					
General and special funds:—Continued					
National Study Commission on Records and Documents of Federal Officials: Salaries and expenses.....804	BA	**350**	.....	**350**	.....
				[1]**10**	
	O	45	105	457	.....
National Water Commission: Salaries and expenses.....301	O	31	.....	.....	.....
Navajo and Hopi Relocation Commission: Salaries and expenses.....806	BA	**12,700**	**100**	**400**	**25,200**
	O	66	74	3,245	5,750
Privacy Protection Study Commission: Salaries and expenses.....806	BA	**550**	**450**	**750**	.....
				[1]**26**	
	O	471	202	1,017	70
Total Other Temporary Commissions.	BA	**21,188**	**3,061**	**8,761**	**26,400**
	O	12,918	3,016	14,698	7,742
National Commission on the observance of International Women's Year, 1975					
Federal Funds					
General and special funds:					
Salaries and expenses.....806	BA	**5,000**	.....	.....	.....
	O	.....	27	4,273	700
Trust Funds					
Contributions: Permanent.....806	BA	.....	**1**	**21**	**10**
	O	.....	.....	21	11
Summary					
Federal funds:					
(As shown in detail above).....	BA	**5,000**	.....	.....	.....
	O	.....	27	4,273	700
Trust funds:					
(As shown in detail above).....	BA	.....	**1**	**21**	**10**
	O	.....	.....	21	11
Total National Commission on the observance of International Women's Year, 1975.	BA	**5,000**	**1**	**21**	**10**
	O	.....	27	4,294	711
Total Federal funds Temporary Study Commissions.	BA	**26,952**	**3,181**	**9,498**	**27,112**
	O	13,769	3,152	19,650	9,231
Total trust funds Temporary Study Commissions.	BA	.....	**1**	**21**	**10**
	O	−165	2	21	11
TENNESSEE VALLEY AUTHORITY					
Federal Funds					
Public enterprise funds:					
Tennessee Valley Authority fund...301	BA	**100,025**	**30,550**	**125,930**	**132,000**
Authority to spend public debt receipts.	BA	**10,000,000**	.....	.....	.....
	O	980,345	232,137	1,203,000	1,471,935

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

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OTHER INDEPENDENT AGENCIES—Continued					
TENNESSEE VALLEY AUTHORITY—Continued					
Summary					
Federal funds:					
(As shown in detail above)	BA	**10,100,025**	**30,550**	**125,930**	**132,000**
	O	980,345	232,137	1,203,000	1,471,935
Deductions for offsetting receipts:					
Proprietary receipts from the public.....300	BA, O	*–27*	*–7*	*–24*	*–24*
Total Tennessee Valley Authority	BA	**10,099,998**	**30,543**	**125,906**	**131,976**
	O	980,318	232,130	1,202,976	1,471,911
UNITED STATES INFORMATION AGENCY					
Federal Funds					
General and special funds:					
Salaries and expenses.....153	BA	**246,913**	**67,500**	**248,325**	**[K]262,229**
	O	237,171	68,082	248,510	260,669
Salaries and expenses (special foreign currency program).....153	BA	**9,995**	**3,225**	**8,600**	**7,057**
	O	9,898	2,095	9,166	9,400
Special international exhibitions...153	BA	**6,187**	**2,004**	**4,841**	**[K]4,360**
	O	7,860	2,063	7,216	6,458
Special international exhibitions (special foreign currency program) 153	O	39	.....	8	99
Acquisition and construction of radio facilities.....153	BA	**10,135**	**260**	**2,142**	**[K]2,952**
	O	2,261	673	4,849	5,643
Trust Funds					
United States Information Agency:	BA	**121**	**13**	**76**	**76**
Permanent, indefinite.....153	O	167	7	211	76
Summary					
Federal funds:					
(As shown in detail above)	BA	**273,230**	**72,989**	**263,908**	**276,598**
	O	257,229	72,913	269,749	282,269
Deductions for offsetting receipts:					
Proprietary receipts from the public.....150	BA, O	*–308*	*123*	*–308*	*–308*
Total Federal funds	BA	**272,922**	**73,112**	**263,600**	**276,290**
	O	256,921	73,036	269,441	281,961
Trust funds:					
(As shown in detail above)	BA	**121**	**13**	**76**	**76**
	O	167	7	211	76
Deductions for offsetting receipts:					
Proprietary receipts from the public.....153	BA, O	*–52*	*–8*	*–52*	*–52*
Total trust funds	BA	**69**	**5**	**24**	**24**
	O	115	–1	159	24
Total United States Information Agency.	BA	**272,991**	**73,117**	**263,624**	**276,314**
	O	257,036	73,035	269,600	281,985
UNITED STATES RAILWAY ASSOCIATION					
Federal Funds					
General and special funds:					
Administrative expenses.....404	BA	**22,300**	.....	**12,000**	.....
Current, indefinite	BA	.....	.....	.....	**[K]10,100**
	O	19,720	3,150	14,500	11,500

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Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued					
UNITED STATES RAILWAY ASSOCIATION—Con.					
Federal Funds—Continued					
General and special funds:—Continued					
Purchase of Conrail securities.....404	BA	**500,000**	**965,000**	.....	**425,000**
	O	309,300	.....	600,000	500,000
Total United States Railway Association.	BA	**522,300**	**965,000**	**12,000**	**435,100**
	O	329,020	3,150	614,500	511,500
WATER RESOURCES COUNCIL					
Federal Funds					
General and special funds:					
Water resources planning.....301	BA	**10,722**	**2,350**	**12,665**	.....
	O	10,695	2,177	14,660	1,805
Intragovernmental funds:					
Consolidated working fund.....301	O	–5	2	.....	.....
Trust Funds					
River Basin Commissions.....301	BA	**4,355**	**1,345**	**6,395**	[K]**8,414** [J]**–8,414**
	O	4,608	1,191	6,935	8,431 [J]–8,431
Summary					
Federal funds:					
(As shown in detail above).....	BA	**10,722**	**2,350**	**12,665**	.....
	O	10,690	2,179	14,660	1,805
Trust funds:					
(As shown in detail above).....	BA	**4,355**	**1,345**	**6,395**	.....
	O	4,608	1,191	6,935	.....
Deductions for offsetting receipts:					
Proprietary receipts from the public.....301	BA, O	*–1,312*	*–563*	*–1,269*	.....
Total trust funds.....	BA	**3,043**	**782**	**5,126**	.....
	O	3,296	628	5,666	.....
Interfund transactions.....301	BA, O	**–3,043**	**–782**	**–5,126**	.....
Total Water Resources Council..	BA	**10,722**	**2,350**	**12,665**	.....
	O	10,943	2,025	15,200	1,805
SUMMARY					
Federal funds:					
(As shown in detail above).....	BA	**23,230,947**	**3,400,374**	**16,796,037**	**17,945,327**
	O	13,389,502	2,597,994	16,999,852	17,705,359
Deductions for offsetting receipts:					
Intrafund transactions.....804	BA, O	*92*	.....	.....	.....
Proprietary receipts from the public.....050	BA, O	*–2*	*–1*	*–3*	*–3*
150	BA, O	*–233*	*51*	*–342*	*–342*
250	BA, O	*–1,570*	*–335*	*–278*	*–278*
300	BA, O	*–496*	*–36*	*–39*	*–39*

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Account and functional code			1976 actual	TQ actual	1977 estimate	1978 estimate
OTHER INDEPENDENT AGENCIES—Continued						
SUMMARY—Continued						
Federal funds:—Continued						
	305	BA	*7*	*–5*	*–19*	*–24*
		O				
	350	BA	*–2*	.....	*–2*	*–2*
		O				
	400	BA	*–4,667*	*–248*	*–480*	*–485*
		O				
	450	BA	*–42*	*–12,288*	*–14,733*	*–17,989*
		O				
	500	BA	*–8*	*–45*	*–242*	*–262*
		O				
	550	BA	*–10*	*–2*	*–12*	*–12*
		O				
	600	BA	*–1*	.....	.....	.....
		O				
	700	BA	*–4*	*–1*	*–5*	*–4*
		O				
	750	BA	*–17*	*–5*	*–16*	*–16*
		O				
	800	BA	*–19,207*	*–8,003*	*–4,760*	*–196*
		O				
	852	BA	*–40,000*	.....	*–77,750*	*–20,000*
		O				
	902	BA	*–392*	*–65,132*	*–419*	*–416*
		O				
Total Federal funds		BA	**23,164,395**	**3,314,324**	**16,696,937**	**17,905,259**
		O	13,322,950	2,511,944	16,900,752	17,665,291
Trust funds:						
(As shown in detail above)		BA	**16,369,693**	**1,859,700**	**20,192,827**	**20,461,717**
		O	10,861,317	3,286,587	12,218,061	14,305,251
Deductions for offsetting receipts:						
Intrafund transactions	602	BA	*–3,485*	*–1,434*	*–10,060*	*–100*
		O				
	902	BA	*6,773*	*6,879*	.....	*10,000*
		O				
Proprietary receipts from the public	151	BA	*–266*	*–46*	*–160*	*–120*
		O				
	153	BA	*–52*	*–8*	*–52*	*–52*
		O				
	301	BA	*–1,312*	*–563*	*–1,269*	.....
		O				
	452	BA	*–2,193*	*–504*	*–2,187*	*–2,286*
		O				
Total trust funds		BA	**16,369,158**	**1,864,024**	**20,179,099**	**20,469,159**
		O	10,860,782	3,290,911	12,204,333	14,312,693
Interfund transactions	153	BA	**–17,923**	.....	.....	.....
		O				
	301	BA	**–3,043**	**–782**	**–5,126**	.....
		O				

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OTHER INDEPENDENT AGENCIES—Continued					
SUMMARY—Continued					
Trust funds:—Continued					
452	BA	**−1,810**	**−477**	**−2,233**	**−2,410**
	O				
601	BA	**−250,000**	.....	**−250,000**	**−250,000**
	O				
602	BA	.....	.....	**−45,500**	**−49,100**
	O				
805	BA	**−4,750,491**	**−245**	**−7,287,225**	**−6,921,479**
	O				
Total Other Independent Agencies.	BA	**34,510,286**	**5,176,844**	**29,285,952**	**31,151,429**
	O	19,160,465	5,801,351	21,515,001	24,754,995
ALLOWANCES					
Allowances for:					
Civilian agency pay raises	BA	.....	.....	.....	**[1]1,243,000**
	BA	.....	.....	.....	**[3]−44,000**
	O	.....	.....	.....	[1]1,193,000
	O	.....	.....	.....	[3]−42,000
Contingencies for:					
Relatively uncontrollable programs	BA	.....	.....	.....	**0**
	O	.....	.....	.....	0
Other requirements	BA	.....	.....	.....	**1,750,000**
	O	.....	.....	.....	1,500,000
Total Allowances	BA	.....	.....	.....	**2,949,000**
	O	.....	.....	.....	2,651,000
BUDGET TOTALS					
Federal funds:					
(As shown in detail above)	BA	**320,842,184**	**66,218,845**	**335,869,624**	**361,195,823**
	O	278,118,542	68,312,485	313,445,061	331,466,287
Deductions for offsetting receipts: (As shown in detail above):					
Intrafund transactions	BA	*−1,473,305*	*−438,312*	*−1,828,194*	*−1,954,581*
	O				
Receipts from off-budget Federal entities:	BA	*−908,934*	*−354,307*	*−2,054,162*	*−2,772,397*
	O				
Proprietary receipts from the public.	BA	*−3,104,574*	*−1,102,993*	*−3,827,133*	*−4,303,890*
	O				
(Undistributed by agency and function):					
Proprietary receipts from the public:					
Rents and royalties on the Outer Continental Shelf...953	BA	*−2,662,448*	*−1,311,119*	*−2,600,000*	*−3,100,000*
	O				
Total deductions	BA	*−8,149,261*	*−3,206,731*	*−10,309,489*	*−12,130,868*
	O				
Federal fund totals	BA	**312,692,923**	**63,012,114**	**325,560,135**	**349,064,955**
	O	269,969,281	65,105,754	303,135,572	319,335,419
Trust funds:					
(As shown in detail above)	BA	**147,814,829**	**35,733,878**	**159,512,614**	**180,336,194**
	O	141,668,738	36,976,620	157,255,827	169,592,940

See footnotes at end of table.

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

Account and functional code		1976 actual	TQ actual	1977 estimate	1978 estimate
BUDGET TOTALS—Continued					
Trust funds:—Continued					
Deductions for offsetting receipts:					
(As shown in detail above):					
Intrafund transactions	BA	*–1,243,550*	*–1,896*	*–1,330,495*	*–1,578,440*
	O				
Proprietary receipts from the public.	BA	*–8,130,691*	*–2,856,674*	*–9,714,807*	*–9,845,083*
	O				
(Undistributed by agency and function):					
Receipts from off-budget Federal entities:					
Employer share, employee retirement 951	BA	*–1,008,927*	*–95,138*	*–1,184,829*	*–1,112,892*
	O				
Total deductions	BA	*–10,383,168*	*–2,953,708*	*–12,230,131*	*–12,536,415*
	O				
Trust fund totals	BA	**137,431,661**	**32,780,170**	**147,282,483**	**167,799,779**
	O	131,285,570	34,022,912	145,025,696	157,056,525
Interfund transactions (–):					
Employer share, employee retirement 951	BA	**–3,232,929**	**–889,988**	**–3,407,069**	**–3,557,111**
	O				
Interest received by trust funds 952	BA	**–7,800,073**	**–270,284**	**–8,200,917**	**–8,658,507**
	O				
Applied by agency above	BA	**–23,756,048**	**–3,222,516**	**–25,309,964**	**–24,209,074**
	O				
Total interfund transactions	BA	**–34,789,050**	**–4,382,788**	**–36,917,950**	**–36,424,692**
	O				
Budget totalsΔ	BA	**415,335,534**	**91,409,496**	**435,924,668**	**480,440,042**
	O	366,465,801	94,745,878	411,243,318	439,967,252

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BUDGET ACCOUNTS LISTING (in thousands of dollars)—Continued

BUDGET TOTALS—Continued

△ Budget totals are distributed as follows:

	1977		1978	
	BA	Outlays	BA	Outlays
Federal funds:				
Enacted, pending, and initial requests:				
Appropriations	323,479,758	301,923,032	352,848,718	328,534,350
Rescissions pending (H)	−1,055,378	−112,225	----------	−164,400
Proposed in this budget:				
Supplemental requests:				
Program:				
Under existing legislation (A)	9,293,132	8,753,502	----------	577,504
Needing authorizing legislation (B)	1,525,288	301,489	----------	289,799
Pay:				
Wage-board pay raises (C)	380,802	365,181	----------	15,621
Civilian pay raises (D)	1,072,378	1,024,799	----------	47,878
Military pay raises (E)	815,738	815,667	----------	71
To be proposed separately:				
Under existing legislation (I)	127,106	127,106	726,414	725,514
Under proposed legislation (J)	230,800	246,510	2,287,391	−3,526,050
Allowances	----------	----------	5,333,300	4,966,000
Deductions for offsetting receipts	−10,309,489	−10,309,489	−12,130,868	−12,130,868
Total Federal funds	325,560,135	303,135,572	349,064,955	319,335,419
Trust funds:				
Enacted, pending, and initial requests: Appropriations	154,229,361	154,188,421	179,026,194	170,711,200
Proposed in this budget: Supplemental requests:				
Program:				
Under existing legislation (A)	5,277,192	3,327,390	----------	1,663,695
Pay:				
Wage-board pay raises (C)	476	446	----------	30
Civilian pay raises (D)	585	570	----------	15
To be proposed separately: Under proposed legislation (J)	5,000	−261,000	1,310,000	−2,782,000
Deductions for offsetting receipts	−12,230,131	−12,230,131	−12,536,415	−12,536,415
Total trust funds	147,282,483	145,025,696	167,799,779	157,056,525
Interfund transactions (−)	−36,917,950	−36,917,950	−36,424,692	−36,424,692
Budget totals	**435,924,668**	**411,243,318**	**480,440,042**	**439,967,252**

A Supplemental under existing legislation.
B Supplemental. Additional authorizing legislation required.
C Supplemental now requested, wage-board pay raises.
D Supplemental now requested, civilian pay raises.
E Supplemental now requested, military pay raises.
F Proposed transfer to other accounts for pay raises (−).
G Proposed transfer from other accounts for pay raises.
H Rescission pending.
I Proposed for later transmittal under existing legislation.
J Proposed for later transmittal under proposed legislation.
K Additional authorizing legislation required.

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ACCOUNTS LISTING FOR OFF-BUDGET FEDERAL ENTITIES
(in thousands of dollars)

Account and functional code		1976	TQ	1977	1978
DEPARTMENT OF AGRICULTURE					
Public enterprise funds:					
Rural electrification and telephone revolving fund 452					
Authority to spend debt receipts: Indefinite	BA	1,000,000	----------	25,062	----------
	O	212,835	−80,477	455,635	----------
Rural Telephone Bank 305	BA	30,000	7,500	30,000	30,000
Authority to spend debt receipts: Permanent, indefinite	BA	59,318	9,345	106,424	94,934
	O	93,291	16,637	94,519	91,774
Total, Department of Agriculture	BA	1,089,318	16,845	161,486	124,934
	O	306,126	−63,840	550,154	91,774
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Public enterprise funds:					
Housing for the elderly or handicapped fund 401					
Authority to spend debt receipts	BA	750,000	----------	750,000	750,000
	O	−14,506	−2,871	261,891	737,830
DEPARTMENT OF LABOR					
Public enterprise funds:					
Pension Benefit Guaranty Corporation 601	BA	----------	----------	----------	----------
	O	−21,824	−293	−13,609	−15,857
DEPARTMENT OF THE TREASURY					
Intragovernmental funds:					
Exchange Stabilization Fund 155	BA	----------	----------	----------	----------
	O	−74,164	−14,934	−58,389	−57,968
Federal Financing Bank 807					
Authority to spend debt receipts: Permanent, indefinite	BA	8,946,385	3,471,157	12,154,467	9,962,704
	O	5,863,433	2,563,661	8,740,768	5,935,850
OTHER INDEPENDENT AGENCIES					
ENERGY INDEPENDENCE AUTHORITY					
Intragovernmental funds:					
Energy Independence Authority 305	BA	----------	----------	----------	[1] 8,000,000
Authority to spend debt receipts	BA	----------	----------	----------	[1] 75,000,000
	O	----------	----------	----------	[1] 650,000
U.S. POSTAL SERVICE					
Public enterprise funds:					
Postal Service fund 402	BA	----------	----------	----------	----------
	O	1,085,466	−726,065	1,006,165	1,814,739
U.S. RAILWAY ASSOCIATION					
Intragovernmental funds:					
Regional Rail Reorganization Program 404					
Authority to spend debt receipts	BA	−1,225,000	----------	120,000	----------
	O	51,607	11,383	297,720	----------
SUMMARY					
Off-budget Federal entities:					
(As shown in detail above)	BA	9,560,703	3,488,002	13,185,953	93,837,638
	O	7,196,138	1,767,041	10,784,700	9,156,368
Budget totals	BA	415,335,534	91,409,496	435,924,668	480,440,042
	O	366,465,801	94,745,878	411,243,318	439,967,252
Total, including off-budget Federal entities	BA	424,896,237	94,897,498	449,110,621	574,277,680
	O	373,661,939	96,512,919	422,028,018	449,123,620

[1] Proposed for later transmittal under proposed legislation.

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PART 9

SUMMARY TABLES

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EXPLANATORY NOTE RELATING TO THE SUMMARY TABLES

Types of tables.—This part of the budget consists of tables as follows:

- Tables 1 through 11 are short summary tables of the budget, often only one page each.
- Tables 12 through 15 provide greater detail in support of financial data in the first four tables.
- Table 17 presents 5-year projections of the estimated costs of proposed legislation pursuant to section 221(a) of the Legislative Reorganization Act of 1970.
- Table 16 and tables 18 through 23 are historical in nature, giving data, for earlier years, comparable to those data in the preceding tables, and also giving information on the national income accounts and the gross national product over a longer period. A new table (22), "Composition of Budget Outlays in Current and Constant (Fiscal Year 1972) Prices: 1955–79," is included this year for the first time.

Periods covered.—Due to the change in fiscal year required by the Congressional Budget Act, the following periods are covered by the various columns:

- July 1 through June 30 for the 1976 and prior columns.
- July 1 through September 30, 1976, for the TQ column.
- October 1 through September 30 for the 1977 and subsequent columns.

In addition, budget estimates for 1979 are presented in a number of tables in this part.

Concepts followed.—The concepts used in the current and historical tables are discussed in Part 7 of this volume. This year, budget authority and outlays for off-budget Federal entities are included in a number of tables.

Other sources of summary data.—The Special Analyses volume, Part 1, presents a series of data covering Government finances and operations as a whole. These include, for example: a comparison of budget totals with the Federal sector of the national income accounts; selected data on Federal and trust funds; a description of current developments and trends in Federal borrowing and debt; information that distinguishes between outlays of a "capital" nature and outlays for operating purposes; a discussion of tax expenditures included in the budget; and information on civilian employment in the executive branch.

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Table 1. **BUDGET SUMMARY** (in millions of dollars)

Description	1976 actual	TQ actual	1977 estimate	1978 estimate
Budget authority (largely appropriations):				
Available through current action by Congress:				
Enacted and pending	266,933	55,276	264,493	----------
Proposed in this budget	----------	----------	22,892	303,216
To be requested separately	----------	----------	363	9,657
Available without current action by Congress	201,724	46,677	207,635	228,659
Deductions for offsetting receipts [1]	−53,321	−10,543	−59,458	−61,092
Total budget authority	**415,336**	**91,409**	**435,925**	**480,440**
Budget authority, off-budget Federal entities	*(9,561)*	*(3,488)*	*(13,186)*	*(93,838)*
Budget authority including off-budget Federal entities	*(424,896)*	*(94,897)*	*(449,111)*	*(574,278)*
Receipts, outlays, and surplus or deficit:				
Receipts:				
Total budget receipts	**300,005**	**81,773**	**354,045**	**393,017**
Outlays:				
Total budget outlays	**366,466**	**94,746**	**411,243**	**439,967**
Outlays, off-budget Federal entities	*(7,196)*	*(1,767)*	*(10,785)*	*(9,156)*
Outlays, including off-budget entities	*(373,662)*	*(96,513)*	*(422,028)*	*(449,124)*
Surplus or deficit (−):				
Total budget deficit (−)	**−66,461**	**−12,973**	**−57,198**	**−46,950**
Deficit, off-budget Federal entities	*(−7,196)*	*(−1,767)*	*(−10,785)*	*(−9,156)*
Total deficit (−)	*(−73,657)*	*(−14,740)*	*(−67,983)*	*(−56,107)*
Outstanding debt, end of period:				
Gross Federal debt	631,866	646,379	716,725	784,973
Held by:				
Government agencies	151,566	148,052	156,398	169,146
The public	480,300	498,327	560,327	615,827
MEMORANDUM				
Outstanding loans, end of year:				
Direct loans—on-budget accounts	64,233	65,314	67,317	70,081
Direct loans—off-budget accounts	21,646	24,258	34,321	41,518
Guaranteed and insured loans [2]	169,828	169,757	181,030	202,264
Government-sponsored enterprise loans [3]	84,930	87,822	100,136	113,542

[1] These consist of intragovernmental transactions and proprietary receipts from the public.
[2] Excludes loans held by Government accounts and sponsored credit enterprises.
[3] Net of lending among Government-sponsored enterprises or between such enterprises and Federal agencies; excludes Federal Reserve banks.

Note.—The transactions of the Export-Import Bank were excluded from the budget by law as of Aug. 17, 1971. This provision was repealed effective Oct. 1, 1976. Accordingly, all budget totals for past years have been adjusted retroactively to include the transactions of the Export-Import Bank. This adjustment increases budget outlays and the budget deficits by:

	In millions
1972	$145
1973	548
1974	1,228
1975	1,504
1976	856
TQ	273
1977	899
1978	964
1979	1,091

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Table 2. BUDGET RECEIPTS, OUTLAYS, AND BUDGET AUTHORITY

(In millions of dollars)

Description	1976 actual	TQ actual	1977 estimate	1978 estimate	1979 estimate
Receipts by source:					
Individual income taxes	131,603	38,801	153,097	171,217	205,349
Corporation income taxes	41,409	8,460	56,604	58,910	63,700
Social insurance taxes and contributions	92,714	25,760	108,883	126,068	146,178
Excise taxes	16,963	4,473	17,926	18,513	19,055
Estate and gift taxes	5,216	1,455	5,907	5,806	6,283
Custom duties	4,074	1,212	4,713	5,262	5,851
Miscellaneous receipts	8,026	1,612	6,915	7,241	7,944
Total budget receipts	**300,005**	**81,773**	**354,045**	**393,017**	**454,360**
Outlays by function:					
National defense [1]	89,996	22,518	100,075	112,262	123,798
International affairs	5,067	1,997	7,150	7,281	7,627
Off-budget Federal entities	*(−74)*	*(−15)*	*(−58)*	*(−58)*	*(−58)*
Subtotal, including off-budget	*(4,993)*	*(1,982)*	*(7,092)*	*(7,223)*	*(7,569)*
General science, space, and technology	4,370	1,161	4,434	4,725	5,202
Natural resources, environment, and energy	11,282	3,324	17,050	19,747	20,619
Off-budget Federal entities	*(213)*	*(−80)*	*(456)*	*(650)*	*(1,450)*
Subtotal, including off-budget	*(11,495)*	*(3,244)*	*(17,506)*	*(20,397)*	*(22,069)*
Agriculture	2,502	584	2,899	2,333	1,891
Commerce and transportation	17,248	4,700	16,106	19,252	18,632
Off-budget Federal entities	*(1,123)*	*(−718)*	*(1,566)*	*(2,553)*	*(3,201)*
Subtotal, including off-budget	*(18,371)*	*(3,982)*	*(17,672)*	*(21,805)*	*(21,833)*
Community and regional development	5,300	1,530	7,695	7,868	7,111
Off-budget Federal entities	*(93)*	*(17)*	*(95)*	*(92)*	*(89)*
Subtotal, including off-budget	*(5,393)*	*(1,547)*	*(7,790)*	*(7,960)*	*(7,200)*
Education, training, employment, and social services	18,167	5,013	21,114	19,358	18,146
Health	33,448	8,720	39,251	43,205	46,696
Income security	127,406	32,796	138,118	143,892	152,838
Off-budget Federal entities	*(−22)*	*(−*)*	*(−14)*	*(−16)*	*(−16)*
Subtotal, including off-budget	*(127,384)*	*(32,796)*	*(138,104)*	*(143,876)*	*(152,822)*
Veterans benefits and services	18,432	3,962	18,388	18,279	17,960
Law enforcement and justice	3,320	859	3,712	3,789	3,756
General government	2,927	878	3,731	3,930	4,016
Off-budget Federal entities	*(5,863)*	*(2,564)*	*(8,741)*	*(5,936)*	*(6,233)*
Subtotal, including off-budget	*(8,790)*	*(3,442)*	*(12,472)*	*(9,866)*	*(10,249)*
Revenue sharing and general purpose fiscal assistance	7,119	2,024	8,926	8,089	8,253
Interest	34,589	7,246	37,987	39,735	42,419
Allowances [2]				2,651	4,311
Undistributed offsetting receipts	−14,704	−2,567	−15,393	−16,429	−17,307
Total budget outlays	**366,466**	**94,746**	**411,243**	**439,967**	**465,967**
Outlays, off-budget Federal entities	*(7,196)*	*(1,767)*	*(10,785)*	*(9,156)*	*(10,899)*
Outlays, including off-budget Federal entities	*(373,662)*	*(96,513)*	*(422,028)*	*(449,124)*	*(476,866)*
Surplus or deficit:					
Budget deficit (−)	−66,461	−12,973	−57,198	−46,950	−11,607
Deficit (−), off-budget Federal entities	*(−7,196)*	*(−1,767)*	*(−10,785)*	*(−9,156)*	*(−10,899)*
Deficit (−), including off-budget Federal entities	*(−73,657)*	*(−14,740)*	*(−67,983)*	*(−56,107)*	*(−22,506)*

See footnotes at end of table.

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Table 2. **BUDGET RECEIPTS, OUTLAYS, AND BUDGET AUTHORITY—Con.**

(In millions of dollars)

Description	1976 actual	TQ actual	1977 estimate	1978 estimate	1979 estimate
Budget authority by function:					
National defense [1]	103,811	22,149	108,520	122,871	135,548
International affairs	6,564	1,382	8,247	9,021	9,619
Off-budget, Federal entities	(---------)	(---------)	(---------)	(---------)	(---------)
Subtotal, including off-budget	*(6,564)*	*(1,382)*	*(8,247)*	*(9,021)*	*(9,619)*
General science, space, and technology	4,262	1,095	4,496	4,915	5,248
Natural resources, environment, and energy	19,283	2,607	14,279	19,098	18,830
Off-budget Federal entities	*(1,000)*	(-------)	*(25)*	*(83,000)*	(-------)
Subtotal, including off-budget	*(20,283)*	*(2,607)*	*(14,304)*	*(102,098)*	*(18,830)*
Agriculture	4,157	309	1,668	2,729	2,502
Commerce and transportation	20,890	7,496	14,974	18,694	19,447
Off-budget Federal entities	*(−475)*	(-------)	*(870)*	*(750)*	*(750)*
Subtotal, including off-budget	*(20,415)*	*(7,496)*	*(15,844)*	*(19,444)*	*(20,197)*
Community and regional development	5,708	653	8,731	6,434	6,418
Off-budget Federal entities	*(89)*	*(17)*	*(136)*	*(125)*	*(116)*
Subtotal, including off-budget	*(5,797)*	*(670)*	*(8,867)*	*(6,559)*	*(6,534)*
Education, training, employment, and social services	21,217	5,321	21,762	17,967	18,471
Health	33,649	8,505	40,354	47,416	52,118
Income security	140,019	28,562	155,440	170,186	185,930
Off-budget Federal entities	(---------)	(-------)	(-------)	(-------)	(-------)
Subtotal, including off-budget	*(149,019)*	*(28,562)*	*(155,440)*	*(170,186)*	*(185,930)*
Veterans benefits and services	19,678	4,529	19,073	18,199	18,580
Law enforcement and justice	3,297	829	3,584	3,677	3,762
General government	3,372	892	3,705	3,904	3,997
Off-budget Federal entities	*(8,946)*	*(3,471)*	*(12,154)*	*(9,963)*	*(10,461)*
Subtotal, including off-budget	*(12,318)*	*(4,363)*	*(15,859)*	*(13,867)*	*(14,458)*
Revenue sharing and general purpose fiscal assistance	9,542	2,402	8,496	9,074	8,722
Interest	34,591	7,244	37,987	39,734	42,419
Allowances [2]	--------	--------	--------	2,949	4,311
Undistributed offsetting receipts	−14,704	−2,567	−15,393	−16,429	−17,307
Total budget authority	**415,336**	**91,409**	**435,925**	**480,440**	**518,615**
Budget authority, off-budget Federal entities	*(9,561)*	*(3,488)*	*(13,186)*	*(93,838)*	*(11,327)*
Budget authority, including off-budget Federal entities	*(424,896)*	*(94,897)*	*(449,111)*	*(574,278)*	*(529,942)*

*$500 thousand or less.
[1] Includes allowances for civilian and military pay raises for Department of Defense.
[2] Includes allowances for civilian agency pay raises and contingencies.

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Table 3. **BUDGET AUTHORITY BY AGENCY** (in millions of dollars)

Department or other unit	Budget authority				
	1976 actual	TQ actual	1977 estimate	1978 estimate	1979 estimate
Legislative branch	923	224	971	1,051	1,211
The Judiciary	345	87	422	441	467
Executive Office of the President	69	18	75	72	72
Funds appropriated to the President	10,566	−921	3,411	4,083	3,846
Agriculture	15,002	2,956	13,173	12,443	12,935
Off-budget Federal entities	*(1,089)*	*(17)*	*(161)*	*(125)*	*(116)*
Subtotal including off-budget	*(16,091)*	*(2,973)*	*(13,334)*	*(12,568)*	*(13,050)*
Commerce	2,252	466	4,032	1,907	1,919
Defense—Military (including pay raises)	95,712	23,089	108,260	121,704	134,272
Defense—Civil	2,196	659	2,495	2,645	2,642
Health, Education, and Welfare	128,244	34,248	146,494	161,106	181,225
Housing and Urban Development	28,498	403	20,516	29,677	29,569
Off-budget Federal entities	*(750)*	*(------)*	*(750)*	*(750)*	*(750)*
Subtotal including off-budget	*(29,248)*	*(403)*	*(21,266)*	*(30,427)*	*(30,319)*
Interior	2,541	1,012	4,230	3,646	3,858
Justice	2,175	534	2,328	2,345	2,403
Labor	20,379	3,654	24,403	20,654	19,207
Off-budget Federal entities	*(------)*	*(------)*	*(------)*	*(------)*	*(------)*
Subtotal including off-budget	*(20,379)*	*(3,654)*	*(24,403)*	*(20,654)*	*(19,207)*
State	931	372	1,273	1,377	1,440
Transportation	10,276	4,969	9,126	13,045	14,387
Treasury	46,772	10,135	49,600	50,989	53,245
Off-budget Federal entities	*(8,946)*	*(3,471)*	*(12,154)*	*(9,963)*	*(10,461)*
Subtotal including off-budget	*(55,718)*	*(13,606)*	*(61,754)*	*(60,952)*	*(63,706)*
Energy Research and Development Admin.	4,515	1,264	6,389	7,840	8,321
Environmental Protection Agency	771	189	1,860	5,303	5,303
General Services Administration	161	−12	203	248	290
National Aeronautics and Space Admin.	3,550	932	3,723	4,018	4,387
Veterans Administration	19,651	4,523	19,047	18,172	18,553
Other independent agencies	34,510	5,177	29,286	31,151	32,060
Off-budget Federal entities	*(−1,225)*	*(------)*	*(120)*	*(83,000)*	*(------)*
Subtotal including off-budget	*(33,285)*	*(5,177)*	*(29,406)*	*(114,151)*	*(32,060)*
Allowances [1]	--------	--------	--------	2,949	4,311
Undistributed offsetting receipts:					
Employer share, employee retirement	−4,242	−985	−4,592	−4,670	−5,107
Interest received by trust funds	−7,800	−270	−8,201	−8,659	−9,700
Rents and royalties on the Outer Continental Shelf	−2,662	−1,311	−2,600	−3,100	−2,500
Total budget authority	**415,336**	**91,409**	**435,925**	**480,440**	**518,615**
Budget authority, off-budget Federal entities	*(9,561)*	*(3,488)*	*(13,186)*	*(93,838)*	*(11,327)*
Budget authority including off-budget Federal entities	*(424,896)*	*(94,897)*	*(449,111)*	*(574,278)*	*(529,942)*

	1976	TQ	1977	1978
MEMORANDUM				
Portion available through current action by Congress [2]	266,933	55,276	287,748	312,873
Portion available without current action by Congress	201,724	46,677	207,635	228,659
Deductions for offsetting receipts:				
Intragovernmental transactions	−39,424	−5,272	−43,316	−43,843
Proprietary receipts from the public	−13,898	−5,271	−16,142	−17,249
Total budget authority	**415,336**	**91,409**	**435,925**	**480,440**

[1] Includes allowances for civilian agency pay raises and contingences.
[2] Budget authority excludes appropriations to liquidate contract authority.

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Table 4. OUTLAYS BY AGENCY (in millions of dollars)

Department or other unit	Outlays				
	1976 actual	TQ actual	1977 estimate	1978 estimate	1979 estimate
Legislative branch	775	224	1,016	1,102	1,252
The Judiciary	325	85	398	440	465
Executive Office of the President	79	16	81	72	72
Funds appropriated to the President	3,525	1,221	4,467	5,149	4,729
Agriculture	12,796	3,850	13,691	12,761	12,477
Off-budget Federal entities	*(307)*	*(−64)*	*(550)*	*(92)*	*(89)*
Subtotal including off-budget	*(13,102)*	*(3,786)*	*(14,241)*	*(12,853)*	*(12,566)*
Commerce	2,020	534	3,040	2,931	2,336
Defense—Military (including pay raises)	88,036	21,926	98,050	109,523	120,795
Defense—Civil	2,124	583	2,469	2,628	2,628
Health, Education, and Welfare	128,785	34,341	147,927	159,385	171,903
Housing and Urban Development	7,079	1,397	7,673	8,722	9,070
Off-budget Federal entities	*(−15)*	*(−3)*	*(262)*	*(738)*	*(778)*
Subtotal including off-budget	*(7,064)*	*(1,394)*	*(7,935)*	*(9,460)*	*(9,849)*
Interior	2,293	788	3,491	3,498	3,717
Justice	2,242	551	2,436	2,445	2,401
Labor	25,727	5,905	23,468	19,619	15,702
Off-budget Federal entities	*(−22)*	*(−*)*	*(−14)*	*(−16)*	*(−16)*
Subtotal including off-budget	*(25,705)*	*(5,905)*	*(23,454)*	*(19,603)*	*(15,686)*
State	1,062	316	1,199	1,255	1,364
Transportation	11,936	3,003	12,774	14,590	15,178
Treasury	44,335	9,699	50,020	49,983	52,743
Off-budget Federal entities	*(5,789)*	*(2,549)*	*(8,682)*	*(5,878)*	*(6,174)*
Subtotal including off-budget	*(50,124)*	*(12,248)*	*(58,702)*	*(55,861)*	*(58,918)*
Energy Research and Development Admin.	3,759	1,051	5,375	6,458	7,771
Environmental Protection Agency	3,118	1,108	5,295	6,006	6,135
General Services Administration	−92	3	176	263	303
National Aeronautics and Space Admin.	3,670	953	3,706	3,901	4,331
Veterans Administration	18,415	3,957	18,370	18,259	17,938
Other independent agencies	19,160	5,801	21,515	24,755	25,653
Off-budget Federal entities	*(1,137)*	*(−715)*	*(1,304)*	*(2,465)*	*(3,873)*
Subtotal including off-budget	*(20,297)*	*(5,086)*	*(22,819)*	*(27,220)*	*(29,526)*
Allowances [1]				2,651	4,311
Undistributed offsetting receipts:					
Employer share, employee retirement	−4,242	−985	−4,592	−4,670	−5,107
Interest received by trust funds	−7,800	−270	−8,201	−8,659	−9,700
Rents and royalties on the Outer Continental Shelf	−2,662	−1,311	−2,600	−3,100	−2,500
Total budget outlays	**366,466**	**94,746**	**411,243**	**439,967**	**465,967**
Outlays, off-budget Federal entities	*(7,196)*	*(1,767)*	*(10,785)*	*(9,156)*	*(10,899)*
Outlays including off-budget Federal entities	*(373,662)*	*(96,513)*	*(422,028)*	*(449,124)*	*(476,866)*

	1976	TQ	1977	1978
MEMORANDUM				
Portion available through current action by Congress	158,321	30,077	190,490	193,791
Portion available without current action by Congress	117,871	16,542	136,895	153,353
Outlays from obligated balances [2]	71,952	34,952	84,053	102,182
Outlays from unobligated balances [2]	71,644	23,719	59,264	51,732
Deductions for offsetting receipts:				
Intragovernmental transactions	−39,424	−5,272	−43,316	−43,843
Proprietary receipts from the public	−13,898	−5,271	−16,142	−17,249
Total budget outlays	**366,466**	**94,746**	**411,243**	**439,967**

*$500 thousand or less.

[1] Includes allowances for civilian agency pay raises and contingencies.
[2] Outlays from appropriations to liquidate contract authority are included as outlays from balances.

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Table 5. **OBLIGATIONS INCURRED, NET** (in millions of dollars)

Department or other unit	1976 actual	TQ actual	1977 estimate	1978 estimate
Legislative branch	960	229	1,003	1,091
The Judiciary	328	92	395	443
Executive Office of the President	66	18	75	72
Funds appropriated to the President:				
International security assistance	4,165	−121	−3,078	232
International development assistance	727	574	2,445	2,673
Other	479	198	1,431	673
Agriculture	13,723	4,427	14,682	12,094
Commerce	2,167	470	4,177	2,079
Defense—Military [1]	88,281	24,830	111,902	119,092
Defense—Civil	2,159	625	2,577	2,759
Health, Education, and Welfare	127,137	39,046	151,265	160,712
Housing and Urban Development	27,554	15,059	28,879	27,983
Interior	2,331	975	3,731	3,690
Justice	2,155	577	2,361	2,352
Labor	25,441	6,027	22,742	19,553
State	1,017	388	1,233	1,328
Transportation	9,984	3,459	16,435	15,216
Treasury	44,432	9,894	49,911	50,969
Energy Research and Development Administration	4,233	1,198	7,050	7,939
Environmental Protection Agency	4,835	983	7,416	6,148
General Services Administration	16	−22	224	267
National Aeronautics and Space Administration	3,593	947	4,064	4,018
Veterans Administration	18,796	4,032	18,548	18,438
Civil Service Commission	8,858	2,421	10,345	11,834
Export-Import Bank	728	384	1,274	1,602
Federal Deposit Insurance Corporation	−447	44	−799	−289
Federal Home Loan Bank Board	−51	−171	−1,422	−438
U.S. Postal Service	1,708	934	2,272	1,472
Railroad Retirement Board	3,504	941	3,787	3,976
Other independent agencies	6,381	1,387	7,304	8,441
Undistributed offsetting receipts	−14,704	−2,567	−15,393	−16,429
Allowances [2]				2,949
Total	**390,553**	**117,278**	**456,838**	**472,939**
MEMORANDUM				
Federal funds	291,975	87,274	350,059	353,112
Trust funds	133,366	34,387	143,697	156,252
Interfund transactions	−34,789	−4,383	−36,918	−36,425
Total	390,553	117,278	456,838	472,939

[1] Includes allowances for civilian and military pay raises for Department of Defense.
[2] Includes allowances for civilian agency pay raises and contingencies.

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Table 6. **BUDGET AUTHORITY AVAILABLE THROUGH CURRENT ACTION BY CONGRESS** (in millions of dollars)

Department or other unit	1976 actual	TQ actual	1977 estimate	1978 estimate
Legislative branch	934	226	983	1,063
The Judiciary	343	86	451	438
Executive Office of the President	69	18	75	72
Funds appropriated to the President	5,524	781	6,911	7,191
Agriculture	14,049	2,623	12,338	11,379
Commerce	1,986	391	3,681	1,589
Defense—Military [1]	95,858	23,080	108,425	121,873
Defense—Civil	2,261	681	2,572	2,729
Health, Education, and Welfare	42,024	11,870	50,558	53,084
Housing and Urban Development	26,370	154	19,499	28,458
Interior	3,074	1,108	4,842	4,193
Justice	2,179	566	2,334	2,351
Labor	12,040	900	12,552	5,251
State	878	376	1,198	1,279
Transportation	6,768	1,478	5,093	5,518
Treasury Department	4,976	969	13,863	17,024
Energy Research and Development Administration	4,515	1,264	6,389	7,840
Environmental Protection Agency	772	189	1,860	5,303
General Services Administration	367	83	375	582
National Aeronautics and Space Administration	3,552	932	3,724	4,020
Veterans Administration	19,219	4,515	18,580	17,661
Other independent agencies	19,175	2,988	11,443	11,028
Allowances [2]	--------	--------	--------	2,949
Total budget authority available through current action by Congress	**266,933**	**55,276**	**287,748**	**312,873**
MEMORANDUM				
Appropriations to liquidate contract authority: [3]				
Funds appropriated to the President	437	38	185	205
Agriculture	303	85	313	269
Commerce	316	71	388	369
Housing and Urban Development	4,576	729	6,939	7,797
Interior	142	41	84	55
Transportation	8,630	1,805	8,863	8,416
Environmental Protection Agency	865	819	3,849	5,000
Veterans Administration	81	--------	--------	--------
Other independent agencies	2	4	6	3
Total appropriations to liquidate contract authority	**15,353**	**3,590**	**20,627**	**22,114**

[1] Includes allowances for civilian and military pay raises for Department of Defense.
[2] Includes allowances for civilian agency pay raises and contingencies.
[3] Excluded from budget authority above.

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Table 7. **OUTLAYS FROM BUDGET AUTHORITY AVAILABLE THROUGH CURRENT ACTION BY CONGRESS** (in millions of dollars)

Department or other unit	1976 actual	TQ actual	1977 estimate	1978 estimate
Legislative branch	748	167	915	989
The Judiciary	298	60	386	401
Executive Office of the President	61	12	70	67
Funds appropriated to the President	890	203	3,125	3,129
Agriculture	10,206	2,530	12,362	9,940
Commerce	1,010	207	1,812	1,030
Defense—Military [1]	69,035	13,526	72,525	79,134
Defense—Civil	1,657	89	1,902	2,034
Health, Education, and Welfare	28,183	5,902	34,746	35,708
Housing and Urban Development	553	33	954	829
Interior	2,112	296	2,927	2,878
Justice	1,357	284	1,555	1,623
Labor	6,482	433	8,599	4,263
State	719	243	946	990
Transportation	3,193	490	3,565	3,722
Treasury Department	2,440	427	11,932	14,092
Energy Research and Development Administration	1,836	401	2,572	2,844
Environmental Protection Agency	340	47	739	641
General Services Administration	336	48	325	540
National Aeronautics and Space Administration	2,676	430	2,831	2,832
Veterans Administration	17,148	2,689	16,044	15,106
Other independent agencies	7,040	1,561	9,656	8,351
Allowances [2]	-------	-------	-------	2,651
Total outlays from budget authority available through current action by Congress	**158,321**	**30,077**	**190,490**	**193,791**
MEMORANDUM				
From appropriations to liquidate contract authority: [3]				
Funds appropriated to the President	275	-------	-------	-------
Agriculture	209	85	313	229
Commerce	316	71	388	369
Housing and Urban Development	2,416	649	3,331	4,362
Interior	122	17	84	55
Transportation	7,917	1,467	7,557	8,181
Environmental Protection Agency	810	798	3,618	4,380
Veterans Administration	63	-------	-------	-------
Other independent agencies	−5	-------	-------	-------
Total outlays from appropriations to liquidate contract authority	**12,122**	**3,087**	**15,290**	**17,576**

[1] Includes allowances for civilian and military pay raises for Department of Defense.
[2] Includes allowances for civilian agency pay raises and contingencies.
[3] Excluded from outlays above.

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Table 8. BUDGET FINANCING AND OUTSTANDING DEBT

(In millions of dollars)

BUDGET FINANCING

	1976 actual	TQ actual	1977 estimate	1978 estimate
Budget surplus or deficit (−)	−66,461	−12,973	−57,198	−46,950
Deficit (−), off-budget Federal entities [1]	−7,196	−1,767	−10,785	−9,156
Total deficit (−)	−73,657	−14,740	−67,983	−56,107
Means of financing other than borrowing from the public:				
Decrease or increase (−) in cash and monetary assets	−7,964	−2,860	5,714	.....
Increase or decrease (−) in liabilities for:				
Checks outstanding, etc.[2]	−951	−546	−26	117
Deposit fund balances	−1,099	20	−153	−42
Seigniorage on coins	747	99	448	531
Total, means of financing other than borrowing from the public	−9,265	−3,287	5,983	607
Total requirements for borrowing from the public	−82,922	−18,027	−62,000	−55,500
Reclassification of securities [3]	−471	.....	.....	.....
Change in debt held by the public	83,393	18,027	62,000	55,500
Nonbank investors	50,875	14,632		
Commercial banks	22,821	1,414		
Federal Reserve System	9,697	1,981		

OUTSTANDING DEBT, END OF YEAR

	1975 actual				
Gross Federal debt:					
Debt issued by Treasury	533,188	620,432	634,701	706,436	776,078
Debt issued by other agencies	10,943	11,433	11,678	10,290	8,895
Total gross Federal debt	544,131	631,866	646,379	716,725	784,973
Held by:					
Government agencies	147,225	151,566	148,052	156,398	169,146
The public	396,906	480,300	498,327	560,327	615,827
Federal Reserve System	**84,993**	**94,714**	**96,702**		
Others	**311,913**	**385,586**	**401,625**		

DEBT SUBJECT TO STATUTORY LIMITATION, END OF YEAR

Debt issued by Treasury	533,188	620,432	634,701	706,436	776,078
Treasury debt not subject to limitation	−624	−613	−613	−402	−402
Agency debt subject to limitation	1,622	1,716	1,713	1,745	1,793
Notes not part of Federal debt but included in debt limit [4]	20	20	20	20	20
Total debt subject to statutory limitation [5]	**534,207**	**621,555**	**635,822**	**707,799**	**777,489**

[1] Includes Exchange stabilization fund.

[2] Includes military payment certificates, accrued interest (less unamortized discount) on Treasury debt, and as offset certain collections in transit.

[3] As of July 1, 1975, Federal debt held by the public increased by $471 million due to a retroactive reclassification of Export-Import Bank certificates of beneficial interest from asset sales to debt.

[4] District of Columbia stadium bonds. See Special Analysis C for further explanation.

[5] The statutory debt limit is permanently established at $400 billion. Public Law 94-334 temporarily increased the statutory debt limit to $682 billion through Mar. 31, 1977 and to $700 billion through Sept. 30, 1977. Legislation is required to change the limitation.

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Table 9. RELATION OF BUDGET AUTHORITY TO OUTLAYS

(In millions of dollars)

Description	1976 actual	TQ actual	1977 estimate	1978 estimate
Budget authority available through current action by Congress:				
Enacted or recommended herein:				
Appropriations [1]	228,887	54,719	270,685	275,803
Contract authority	22,989	557	18,475	27,230
Authority to spend debt receipts	15,054	.....	−1,776	182
Reappropriations and reauthorizations	3	.....	1	.....
To be requested separately: Appropriations	.....	.....	363	9,657
Total budget authority available through current action by Congress (table 6)	**266,933**	**55,276**	**287,748**	**312,873**
Budget authority available without current action by Congress (permanent authorizations):				
Appropriations [1]	182,010	41,240	194,205	210,643
Contract authority	17,774	4,733	11,029	15,115
Authority to spend debt receipts	1,941	704	2,400	2,901
Deductions for offsetting receipts (table 13):				
Intragovernmental transactions	−39,424	−5,272	−43,316	−43,843
Proprietary receipts from the public	−13,898	−5,271	−16,142	−17,249
Total budget authority for the year (table 3)	**415,336**	**91,409**	**435,925**	**480,440**
Unobligated balances and adjustments:				
Unobligated balances:				
Brought forward at start of year (table 10)	285,662	292,909	264,465	226,551
Written off (rescinded, lapsed, etc.) [2]	−15,002	−4,476	−18,202	−17,842
Carried forward at end of year (table 10)	−292,909	−264,465	−226,551	−216,892
Application of new authority to prior obligations:				
Budget authority of year, obligated previously	−4,424	−1,880	−3,791	−4,992
Budget authority of subsequent year, obligated currently	1,890	3,781	4,992	5,674
Obligations incurred, net (table 5)	**390,553**	**117,278**	**456,838**	**472,939**
Obligated balances:				
Brought forward at start of year, funded (table 10)	227,431	251,334	273,586	319,107
Adjustments in expired accounts	−401	−280	−73	−40
Deficiency appropriations	217	.....	.....	.....
Carried forward at end of year (table 10)	−251,334	−273,586	−319,107	−352,039
Budget outlays (table 4)	**366,466**	**94,746**	**411,243**	**439,967**

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Table 9. **RELATION OF BUDGET AUTHORITY TO OUTLAYS—Continued**

(In millions of dollars)

Description	1976 actual	TQ actual	1977 estimate	1978 estimate
MEMORANDUM				
Federal funds included above:				
Budget authority available through current action by Congress	264,988	54,723	281,823	304,058
Budget authority [3]	312,693	63,012	325,560	349,065
Obligations incurred, net [3]	291,975	87,274	350,059	353,112
Budget outlays [3]	269,969	65,106	303,136	319,335

[1] Excludes appropriations to liquidate contract authority:

	1976 actual	*TQ actual*	*1977 estimate*	*1978 estimate*
Enacted or recommended herein	23,318	6,431	30,429	31,617

[2] Includes redemption of agency debt and capital transfers to the general fund.
[3] Amounts are net of intrafund transactions, receipts from off-budget Federal entities, and proprietary receipts from the public.

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Table 10. BALANCES OF BUDGET AUTHORITY (in millions of dollars)

Department or unit	Start 1976		End 1976		End TQ		End 1977		End 1978	
	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated
Legislative branch	−15	287	169	234	174	222	162	167	150	102
The Judiciary	29	23	32	40	38	23	35	49	38	47
Executive Office of the President	27	1	12	4	14	----------	7	----------	7	----------
Funds appropriated to the President:										
International security assistance	13,116	7,021	16,081	11,059	15,440	9,975	10,608	12	8,794	9
International development assistance	4,700	10,373	3,705	11,425	3,725	10,877	4,399	10,555	5,078	11,061
Other	1,292	461	1,017	574	1,070	327	1,513	16	1,038	6
Agriculture	4,335	12,642	5,205	13,801	5,770	12,223	6,760	10,247	6,093	10,323
Commerce	1,684	638	1,838	722	1,764	714	2,902	569	2,050	396
Defense—Military [1]	27,266	16,731	27,640	24,049	30,383	21,031	44,227	17,029	53,794	19,572
Defense—Civil	597	177	632	215	674	243	783	160	914	47
Health, Education, and Welfare	20,198	55,667	18,493	54,307	23,253	50,674	26,590	46,606	27,916	47,677
Housing and Urban Development	106,265	59,778	126,740	48,395	140,411	32,105	161,617	20,735	180,878	7,788
Interior	1,369	2,484	1,395	2,485	1,582	2,461	1,821	2,765	2,014	2,465
Justice	1,235	173	1,146	192	1,173	144	1,098	111	1,005	104
Labor	2,496	14,445	2,201	9,354	2,230	6,933	1,495	8,594	1,430	9,695
State	228	389	183	250	250	228	278	268	350	318
Transportation	14,781	21,329	12,825	21,612	13,276	23,063	16,937	15,625	17,563	13,453
Treasury	1,892	256	1,978	2,595	2,113	2,821	2,004	2,510	2,990	231
Energy Research and Development Agency	1,791	412	2,265	694	2,412	759	4,087	99	5,568	*

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Environmental Protection Agency	7,909	11,719	9,626	7,656	9,499	6,857	11,620	1,301	11,763	456
General Services Administration	209	51	318	196	294	203	342	99	346	66
National Aeronautics and Space Administration	897	468	820	425	815	407	1,173	66	1,289	66
Veterans Administration	1,700	9,696	2,068	10,439	2,141	10,892	2,319	11,285	2,498	10,918
Civil Service Commission	2,459	38,253	2,994	42,951	3,062	42,136	3,571	48,783	4,101	54,001
Export-Import Bank	7,637	----------	7,508	----------	7,619	----------	7,994	----------	8,632	----------
Federal Deposit Insurance Corporation	187	6,100	218	6,547	128	6,503	191	7,303	281	7,592
Federal Home Loan Bank Board	−10	9,271	18	7,322	26	7,492	24	8,914	9	9,352
U.S. Postal Service	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
Railroad Retirement Board	266	3,990	288	3,729	292	3,178	312	3,094	333	3,097
Other independent agencies	2,892	2,828	3,918	11,638	3,957	11,974	4,239	9,588	4,819	8,052
Allowances [2]	----------	----------	----------	----------	----------	----------	----------	----------	298	----------
Total	**227,431**	**285,662**	**251,334**	**292,909**	**273,586**	**264,465**	**319,107**	**226,551**	**352,039**	**216,892**
MEMORANDUM										
Federal funds	194,369	152,413	216,190	155,604	238,078	128,819	284,928	100,341	318,665	79,133
Trust funds	33,062	133,248	35,143	137,305	35,507	135,646	34,179	126,211	33,374	137,759
Total	227,431	285,662	251,334	292,909	273,586	264,465	319,107	226,551	352,039	216,892

*$500 thousand or less.
[1] Includes balances of allowances for civilian and military pay raises for Department of Defense.
[2] Includes balances of allowances for civilian agency pay raises and contingencies.

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Table 11. FULL-TIME PERMANENT CIVILIAN EMPLOYMENT IN THE EXECUTIVE BRANCH [1]

Agency	June 30, 1976 actual	Sept. 30	
		1977 estimate	1978 estimate
Agriculture	80,413	83,500	84,200
Commerce	28,823	29,500	29,400
Defense—military functions	922,386	928,000	921,200
Defense—civil functions	28,648	29,000	28,900
Health, Education, and Welfare	136,462	142,300	142,400
Housing and Urban Development	14,942	15,600	16,500
Interior	59,130	62,000	62,400
Justice	51,201	52,400	53,800
Labor	14,471	16,200	16,200
State	22,634	22,800	22,900
Transportation	71,593	72,800	74,000
Treasury	107,877	112,100	112,600
Energy Research and Development Administration	8,283	8,700	9,000
Environmental Protection Agency	9,481	9,700	9,700
General Services Administration	35,679	36,000	36,200
National Aeronautics and Space Administration	24,039	23,800	23,700
Veterans Administration	192,453	201,700	205,500
Other:			
Agency for International Development	5,751	6,100	6,100
Civil Service Commission	6,740	7,000	7,100
Federal Energy Administration	3,349	3,900	3,700
Nuclear Regulatory Commission	2,289	2,500	2,700
Panama Canal	12,978	13,500	13,500
Small Business Administration	4,136	4,400	4,600
Tennessee Valley Authority	15,100	17,400	17,900
United States Information Agency	8,559	8,700	8,700
Miscellaneous	39,432	41,700	41,900
Subtotal	1,906,849	1,951,300	1,954,800
Contingencies [2]	---------	2,000	5,000
Subtotal	1,906,849	1,953,300	1,959,800
Postal Service	541,499	536,400	540,000
Total	**2,448,348**	**2,489,700**	**2,499,800**

[1] Excludes developmental positions under the worker trainee opportunity program (WTOP) as well as certain statutory exemptions.
[2] Subject to later distribution.

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Table 12. **BUDGET RECEIPTS BY SOURCE** (in millions of dollars)

Source	1976 actual	TQ actual	1977 estimate	1978 estimate
Individual income taxes:				
Withheld	123,441	32,950	153,107	185,700
Other	35,528	6,809	41,243	46,476
Proposed legislation			−6,046	−18,864
Gross individual income taxes	158,969	39,759	188,304	213,312
Refunds	−27,367	−958	−35,207	−41,737
Proposed legislation				−358
Net individual income taxes	**131,603**	**38,801**	**153,097**	**171,217**
Corporation income taxes	**46,783**	**9,809**	**63,333**	**69,762**
Proposed legislation			−1,052	−4,660
Refunds	−5,374	−1,348	−5,677	−6,192
Net corporation income taxes	**41,409**	**8,460**	**56,604**	**58,910**
Social insurance taxes and contributions (trust funds):				
Employment taxes and contributions:				
Old-age and survivors insurance	58,703	15,886	67,682	74,462
Proposed legislation				−842
Disability insurance	7,686	2,130	8,897	10,137
Proposed legislation				2,167
Hospital insurance	11,995	3,459	13,750	17,834
Proposed legislation				9
Railroad retirement	1,525	328	1,860	1,855
Proposed legislation				12
Total employment taxes and contributions	79,909	21,803	92,189	105,634
Unemployment insurance:				
State taxes deposited in Treasury [1]	6,404	2,289	9,431	12,029
Federal unemployment tax receipts [1]	1,531	371	1,900	2,800
Railroad unemployment tax receipts [1]	118	37	183	217
Total unemployment insurance	8,054	2,698	11,514	15,046
Contributions for other insurance and retirement:				
Supplementary medical insurance	1,937	539	2,180	2,374
Federal employees' retirement—employee contributions	2,760	707	2,944	2,958
Other retirement contributions [2]	54	13	56	56
Total contributions for other insurance and retirement	4,752	1,259	5,180	5,388
Total social insurance taxes and contributions	**92,714**	**25,760**	**108,883**	**126,068**
Excise taxes:				
Federal funds:				
Alcohol taxes:				
Distilled spirits	3,882	848	4,051	4,199
Beer	1,330	391	1,431	1,502
Rectification tax	29	22	32	34
Wines	172	35	172	171
Special taxes in connection with liquor occupations	15	10	20	21
Refunds	−110	−27	115	117
Total alcohol taxes	5,318	1,279	5,591	5,810

See footnotes at end of table.

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Table 12. **BUDGET RECEIPTS BY SOURCE** (in millions of dollars)—**Continued**

Source	1976 actual	TQ actual	1977 estimate	1978 estimate
Excise taxes—Continued				
Federal funds—Continued				
Tobacco taxes:				
Cigarettes	2,435	610	2,527	2,648
Cigars	50	12	49	48
Cigarette papers and tubes	1	*	2	2
Other	2	1	2	2
Refunds	−4	−1	−5	−5
Total tobacco taxes	2,484	622	2,575	2,695
Manufacturers' excise taxes:				
Gasoline	31	8	33	34
Firearms, shells, and cartridges	54	15	66	74
Fishing rods, creels, etc	20	7	25	28
Pistols and revolvers	12	4	14	16
Bows and arrows	5	1	6	6
Other	1			
Refunds	−7	−7	−10	−10
Total manufacturers' excise taxes	115	29	134	148
Miscellaneous excise taxes:				
General and toll telephone and teletype service	1,837	543	1,805	1,672
Wagering taxes, including occupational taxes	6	2	7	7
Sugar tax	29	*		
Coin-operated gaming devices	6	5	8	8
Interest equalization tax	1	1		
Tax on foundations	62	2	56	55
Proposed legislation				−28
Foreign insurance policies	25	8	29	34
Other	1	*	1	1
Refunds	−20	−10	−16	−17
Total miscellaneous excise taxes	1,948	551	1,890	1,732
Undistributed Federal tax deposits and unapplied collections	747	40	−115	
Total Federal fund excise taxes	10,612	2,520	10,075	10,385
Trust funds:				
Highway:				
Gasoline	3,997	1,110	4,395	4,549
Trucks, buses, and trailers	219	50	587	547
Tires, innertubes, and tread rubber	594	225	831	866
Diesel fuel used on highways	347	116	457	489
Use-tax on certain vehicles	209	110	254	265
Truck parts and accessories	116	39	151	166
Lubricating oils	83	26	119	123
Refunds	−152	−1	−134	−148
Total highway trust fund	5,413	1,676	6,660	6,857

See footnotes at end of table.

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Table 12. **BUDGET RECEIPTS BY SOURCE** (in millions of dollars)—**Continued**

Source	1976 actual	TQ actual	1977 estimate	1978 estimate
Excise taxes—Continued				
Trust funds—Continued				
Airport and airway:				
Transportation of persons	777	225	974	1,040
Waybill tax	42	14	64	66
Tax on fuels	52	14	74	79
International departure tax	47	16	54	59
Aircraft registration fees	21	8	26	28
Tires and innertubes	1	*	1	1
Refunds	−2	−1	−2	−2
Total airport and airway trust fund	938	277	1,191	1,271
Total trust fund excise taxes	6,351	1,953	7,851	8,128
Total excise taxes	**16,963**	**4,473**	**17,926**	**18,513**
Estate and gift taxes	**5,216**	**1,455**	**5,907**	**5,806**
Customs duties	**4,074**	**1,212**	**4,713**	**5,262**
Miscellaneous receipts: [3]				
Miscellaneous taxes	209	61	222	227
Proposed legislation				80
Deposit of earnings, Federal Reserve System	5,451	1,500	6,000	6,400
Fees for permits and regulatory and judicial services:				
Immigration, passport, and consular fees	51	13	54	56
Patent and copyright fees	28	10	31	33
Registration and filing fees	144	22	83	73
Import fees on crude oil and petroleum products	1,890	−50	65	100
Miscellaneous fees for permits, licenses, etc	28	7	36	38
Miscellaneous fees for regulatory and judicial services	45	9	55	56
Proposed legislation				9
Fees for legal and judicial services	*	*	*	*
Total fees for permits and regulatory and judicial services	2,186	11	323	365
Fines, penalties, and forfeitures	94	32	99	101
Proposed legislation			211	
War reparations and recoveries under military occupation	65	1	4	4
Gifts and contributions	22	5	58	64
Refunds	−2	−*		
Total miscellaneous receipts	**8,026**	**1,612**	**6,915**	**7,241**
Total budget receipts	**300,005**	**81,773**	**354,045**	**393,017**
MEMORANDUM				
Federal funds	201,099	54,085	237,405	258,926
Trust funds	133,695	32,071	153,558	170,515
Interfund transactions	−34,789	−4,383	−36,918	−36,425

*$500 thousand or less.

[1] Deposits by States are State payroll taxes that cover the benefit part of the program. Federal unemployment tax receipts cover administrative costs at both the Federal and State level. Railroad unemployment tax receipts cover both the benefits and administrative costs of the program for the railroads.

[2] Represents employer and employee contributions to the Civil service retirement and disability fund for covered employees of Government-sponsored, privately owned enterprises and the District of Columbia municipal government.

[3] Includes both Federal and trust funds. Trust fund amounts in miscellaneous receipts are: 1976, $33 million; TQ, $8 million; 1977, $72 million; and 1978, $79 million.

Note.—Estimates for 1977 and 1978 include effects of proposed legislation.

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Table 13. **OFFSETTING RECEIPTS BY TYPE** (in millions of dollars)

Type	1976 actual	TQ actual	1977 estimate	1978 estimate
INTRAGOVERNMENTAL TRANSACTIONS				
Intrabudgetary transactions:				
Federal intrafund transactions:				
Interest on Government capital in enterprises	1,431	411	1,787	1,912
Other	43	27	41	42
Total Federal intrafunds	1,473	438	1,828	1,955
Trust intrafund transactions: [1]				
Railroad retirement/social security	1,239	.....	1,319	1,577
Other	5	2	11	1
Total trust intrafunds	1,244	2	1,330	1,578
Total intrafund transactions	2,717	440	3,159	3,533
Interfund transactions:				
Distributed by agency and function:				
Federal fund payments to trust funds:				
Contributions to insurance programs:				
Old-age and survivors insurance	268	.....	236	228
Military service credits, various programs	295	.....	622	656
Supplementary medical insurance	2,939	878	5,053	6,351
Hospital insurance	610	.....	803	583
Railroad dual benefits	250	.....	250	250
Supplementary retirement contributions	4,805	2	7,423	7,036
Unemployment insurance	7,878	625	3,851	1,800
Other	2	1	48	51
Miscellaneous contributions:				
State and local government fiscal assistance	6,355	1,664	6,655	6,855
Other	161	20	205	214
Subtotal	23,564	3,190	25,145	24,024
Trust fund payments to Federal funds:				
Charges for services to trust funds	187	33	165	185
Other	5	.....	.....	.....
Subtotal	192	33	165	185
Total interfunds distributed by agency and function	23,756	3,223	25,310	24,209
Undistributed by agency and function:				
Employer share, employee retirement:				
Civil service retirement and disability insurance	2,080	592	2,219	2,228
Old-age, survivors, disability, and hospital insurance (contribution as employer) [2]	1,138	294	1,170	1,310
Other Federal employees retirement	15	4	18	19
Total employer share, employee retirement	3,233	890	3,407	3,557
Interest received by trust funds	7,800	270	8,201	8,659
Total interfunds undistributed by agency and function	11,033	1,160	11,608	12,216
Total interfund transactions	34,789	4,383	36,918	36,425
Total intrabudgetary transactions	37,506	4,823	40,077	39,958

See footnotes at end of table.

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Table 13. **OFFSETTING RECEIPTS BY TYPE (in millions of dollars)—Continued**

Type	1976 actual	TQ actual	1977 estimate	1978 estimate
INTRAGOVERNMENTAL TRANSACTIONS—Con.				
Receipts from off-budget Federal entities:				
Distributed by agency and function:				
Interest on loans to Government-owned enterprises	909	354	2,054	2,772
Undistributed by agency and function:				
Employer share, employee retirement	1,009	95	1,185	1,113
Total receipts from off-budget Federal entities	1,918	449	3,239	3,885
Total intragovernmental transactions	**39,424**	**5,272**	**43,316**	**43,843**
PROPRIETARY RECEIPTS FROM THE PUBLIC				
Distributed by agency and function:				
Interest:				
Interest on loans, Foreign Assistance Act	187	87	245	265
Interest on foreign military credit sales	78	29	100	95
Interest on loans to United Kingdom	59	----	58	56
Other interest on foreign loans and deferred foreign collections	26	3	13	13
Interest on rural electrification loans	2	2	3	3
Other interest (domestic—civil) [3 4]	163	102	141	152
Other interest (domestic—national defense)	10	1	10	10
Total interest	525	225	571	594
Dividends and other earnings	*	12	2	2
Rents:				
Rent and bonuses from land leases for resource exploration and extraction	13	9	15	16
Rent of land and other real property [3]	71	7	79	67
Rent of equipment and other personal property	21	*	21	21
Total rents	105	16	114	104
Royalties [3]	380	69	375	513
Sale of products:				
Sale of timber and other natural land products [3]	633	289	755	859
Sale of power and other utilities	292	88	717	889
Sale of other products	59	15	36	29
Recovery of mint manufacturing expense	41	10	43	46
Total sale of products	1,025	403	1,552	1,823
Fees and other charges for services and special benefits:				
Veterans life insurance (trust funds)	458	148	498	521
Other [3]	390	127	439	502
Total fees and other charges	848	275	936	1,024

See footnotes at end of table.

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Table 13. OFFSETTING RECEIPTS BY TYPE (in millions of dollars)—Continued

Type	1976 actual	TQ actual	1977 estimate	1978 estimate
PROPRIETARY RECEIPTS FROM THE PUBLIC—Continued **Distributed by agency and function—Continued**				
Sale of Government property:				
Sale of land and other real property [3]	31	16	47	45
Sale of equipment and other personal property:				
Sale from the stockpile of strategic and critical materials	160	63	124	290
Military assistance program sales (trust fund)	7,257	2,539	8,800	8,800
Other	20	3	33	7
Profit on the sale of gold	62	1	.....	.....
Sale of scrap and salvage material [3]	13	*	1	1
Total sale of property	7,542	2,623	9,005	9,143
Realization upon loans and investments:				
Dollar repayments of loans, Agency for International Development	201	100	283	300
Foreign military credit sales	128	71	206	208
Dollar conversion of foreign currency	95	15	85	85
Repayment of loans to United Kingdom	71	.....	73	74
Other	193	61	227	166
Total realization upon loans and investments	688	247	874	834
Recoveries and refunds [3]	113	96	112	112
Deposits in clearing accounts	9	−7	*	*
Total proprietary receipts from the public distributed by agency and function	11,235	3,960	13,542	14,149
Undistributed by agency and function:				
Rents and royalties on the Outer Continental Shelf:				
Rents and bonuses	1,662	1,132	1,900	2,300
Royalties	1,001	179	700	800
Total proprietary receipts from the public undistributed by agency and function	2,662	1,311	2,600	3,100
Total proprietary receipts from the public [5]	13,898	5,271	16,142	17,249
Total offsetting receipts	53,321	10,543	59,458	61,092

*$500 thousand or less.

[1] Interchange receipts between the social security and railroad retirement funds place the social security funds in the same position they would have been if there were no separate railroad retirement system. Interchange receipts between Federal retirement funds occur when an employee transfers from coverage by one system to coverage by another system.

[2] Includes provision for covered Federal civilian employees and military personnel.

[3] Includes both Federal funds and trust funds.

[4] Includes $62 million in 1976 and $3 million in the transition quarter arising from interest on public debt securities by funds held in escrow.

[5] Consists of:

	1976 actual	*TQ actual*	*1977 estimate*	*1978 estimate*
Federal funds	5,767	2,414	6,427	7,404
Trust funds	8,131	2,857	9,715	9,845

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Table 14. BUDGET AUTHORITY BY FUNCTION AND AGENCY

(In millions of dollars)

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
050 NATIONAL DEFENSE					
051 Department of Defense—Military:					
Military personnel	25,430	6,585	26,210	26,193	26,254
Retired military personnel	7,326	1,943	8,238	9,036	9,706
Operation and maintenance	28,848	7,638	32,175	34,168	35,573
Procurement	20,991	4,135	27,672	35,143	39,014
Research, development, test, and evaluation	9,451	2,406	10,478	11,980	12,971
Military construction	2,360	76	2,147	1,376	4,210
Other [1]	1,461	302	1,515	1,600	1,825
Allowances	-------	-------	-------	2,384	4,826
Deductions for offsetting receipts	−155	5	−176	−176	−107
Total 051	95,712	23,089	108,260	121,704	134,272
052 Military assistance:					
Funds appropriated to the President [1]	13,997	1,306	7,494	7,892	7,423
Deductions for offsetting receipts	−7,476	−2,653	−9,111	−9,110	−8,615
Total 052	6,521	−1,347	−1,617	−1,218	−1,192
053 Atomic energy defense activities:					
Energy Research and Development Administration	1,682	459	1,935	2,380	2,415
054 Defense-related activities:					
General Services Administration	16	4	17	239	319
Other independent agencies:					
Central Intelligence Agency	-------	-------	28	35	42
Intelligence Community Oversight	-------	-------	10	10	11
Renegotiation Board	6	1	6	6	6
Selective Service System	38	7	8	6	6
Other temporary commissions	1	-------	-------	-------	-------
Deductions for offsetting receipts	−162	−64	−124	−290	−329
Total 054	−101	−52	−55	7	56
Deductions for offsetting receipts [2]	−3	1	−3	−3	−3
Total national defense	103,811	22,149	108,520	122,871	135,548
150 INTERNATIONAL AFFAIRS					
151 Foreign economic and financial assistance:					
Funds appropriated to the President [1]	3,899	543	4,482	5,238	5,041
Department of Agriculture	1,090	146	1,169	923	1,049
Department of State	31	1	33	25	25
Department of Transportation [1]	8	1	6	7	37
Other independent agencies: ACTION [1]	82	24	81	68	65
Deductions for offsetting receipts	−12	−3	−12	−11	−11
Total 151	5,097	713	5,761	6,250	6,207

See footnotes at end of table.

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Table 14. BUDGET AUTHORITY BY FUNCTION AND AGENCY—Continued

(In millions of dollars)

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
150 INTERNATIONAL AFFAIRS—Con.					
152 Conduct of foreign affairs:					
Funds appropriated to the President	17	-------	21	21	21
Department of State [1]	796	358	1,112	1,213	1,269
Other independent agencies:					
Arms Control and Disarmament Agency	12	3	12	13	14
Foreign Claims Settlement Commission	1	*	1	1	1
International Trade Commission	10	3	12	12	12
Deductions for offsetting receipts	−55	−2	−105	−115	−124
Total 152	782	362	1,053	1,146	1,193
153 Foreign information and exchange activities:					
Department of State [1]	68	12	75	83	90
Other independent agencies:					
Board for International Broadcasting	64	18	53	59	62
Japan-United States Friendship Commission [1]	36	-------	-------	1	1
United States Information Agency [1]	273	73	264	277	303
Deductions for offsetting receipts	−18	−*	−*	−*	−*
Total 153	423	103	392	420	456
155 International financial programs:					
Funds appropriated to the President	-------	-------	300	130	120
Other independent agencies: Export-Import Bank	728	384	1,274	1,622	2,242
Deductions for offsetting receipts	−20	−20	−20	−20	−20
Total 155	708	364	1,554	1,732	2,342
Deductions for offsetting receipts [2]	−446	−160	−512	−527	−579
Total international affairs	6,564	1,382	8,247	9,021	9,619
250 GENERAL SCIENCE, SPACE, AND TECHNOLOGY					
251 General science and basic research:					
Energy Research and Development Administration	320	76	372	429	410
Other independent agencies:					
National Science Foundation [1]	717	169	779	889	937
Smithsonian Institution [1]	2	1	2	2	2
Total 251	1,039	246	1,153	1,320	1,349
253 Space flight:					
National Aeronautics and Space Administration	1,957	506	2,039	2,182	2,222
254 Space science, applications, and technology:					
National Aeronautics and Space Administration	944	255	949	1,024	1,241

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Table 14. **BUDGET AUTHORITY BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
250 GENERAL SCIENCE, SPACE, AND TECHNOLOGY—Continued					
255 Supporting space activities:					
National Aeronautics and Space Administration [1]	327	88	357	391	437
Deductions for offsetting receipts	−1	−*	-------	-------	-------
Total 255	326	88	357	391	437
Deductions for offsetting receipts [2]	−3	−1	−2	−2	−2
Total general science, space, and technology	4,262	1,095	4,496	4,915	5,248
300 NATURAL RESOURCES, ENVIRONMENT, AND ENERGY					
301 Water resources and power:					
Department of Agriculture [1]	239	45	188	166	162
Department of Defense—Civil [1]	2,216	671	2,519	2,667	2,669
Department of the Interior [1]	674	397	1,004	905	909
Department of State	15	3	12	26	23
Other independent agencies:					
Delaware River Basin Commission	*	*	*	*	*
Susquehanna River Basin Commission	*	*	*	*	*
Tennessee Valley Authority	10,100	31	126	132	132
Water Resources Council [1]	15	4	19	-------	-------
Deductions for offsetting receipts	−293	−80	−340	−338	−338
Total 301	12,966	1,070	3,528	3,558	3,558
302 Conservation and land management:					
Department of Agriculture [1]	1,275	362	1,542	1,458	1,466
Department of Commerce	18	5	35	45	56
Department of the Interior [1]	289	111	338	374	414
Department of State	5	2	6	6	6
Other independent agencies: Marine Mammal Commission	1	*	1	1	1
Deductions for offsetting receipts	−385	−58	−527	−495	−494
Total 302	1,202	422	1,396	1,388	1,448
303 Recreational resources:					
Department of Agriculture	3	2	2	4	4
Department of Defense—Civil	2	*	3	7	5
Department of the Interior [1]	872	192	2,075	1,386	1,565
Other independent agencies:					
Advisory Council on Historic Preservation	-------	-------	1	1	2
Other temporary commissions	*	*	-------	-------	-------
Deductions for offsetting receipts	−2	−1	−2	−2	−2
Total 303	875	194	2,079	1,396	1,573

See footnotes at end of table.

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Table 14. BUDGET AUTHORITY BY FUNCTION AND AGENCY—Continued

(In millions of dollars)

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
300 NATURAL RESOURCES, ENVIRONMENT, AND ENERGY—Continued					
304 Pollution control and abatement:					
Department of the Interior	*	*	-------	-------	-------
Department of Transportation	13	1	18	8	9
Environmental Protection Agency [1]	671	168	1,764	5,206	5,207
Other independent agencies:					
Interstate Commission on the Potomac River Basin	*	*	*	*	*
Other temporary commissions	*	-------	-------	-------	-------
Deductions for offsetting receipts	—*	—*	—*	—*	—*
Total 304	684	168	1,782	5,215	5,215
305 Energy:					
Funds appropriated to the President	24	15	806	561	694
Department of Agriculture	21	5	22	23	23
Department of the Interior	62	15	66	63	63
Energy Research and Development Administration [1]	2,514	729	4,083	5,031	5,496
Environmental Protection Agency	101	21	96	96	96
Other independent agencies:					
Energy Independence Authority	-------	-------	-------	42	55
Federal Energy Administration	466	33	275	1,802	809
Federal Power Commission	37	9	43	43	43
Nuclear Regulatory Commission	217	52	249	292	336
Deductions for offsetting receipts	—*	—12	—401	—561	—695
Total 305	3,441	867	5,240	7,392	6,922
306 Other natural resources:					
Department of Commerce [1]	516	145	593	606	597
Department of the Interior [1]	415	103	472	551	573
Deductions for offsetting receipts	—10	—4	—11	—11	—11
Total 306	921	245	1,055	1,146	1,159
Deductions for offsetting receipts [2]	—807	—359	—800	—997	—1,045
Total natural resources, environment, and energy	19,283	2,607	14,279	19,098	18,830
350 AGRICULTURE					
351 Farm income stabilization:					
Department of Agriculture [1]	3,158	63	591	1,588	1,338
352 Agricultural research and services:					
Department of Agriculture [1]	1,039	258	1,128	1,193	1,216
Deductions for offsetting receipts	—48	—13	—49	—49	—49
Total 352	991	245	1,079	1,144	1,167
Deductions for offsetting receipts [2]	7	1	—2	—3	—3
Total agriculture	4,157	309	1,668	2,729	2,502

See footnotes at end of table.

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Table 14. **BUDGET AUTHORITY BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
400 COMMERCE AND TRANSPORTATION					
401 Mortgage credit and thrift insurance:					
Department of Agriculture	138	5	192	328	362
Department of Housing and Urban Development	6,275	211	1,027	1,125	735
Total 401	6,413	216	1,219	1,453	1,096
402 Postal Service:					
Other independent agencies: Postal Service	1,708	934	2,272	1,472	1,435
403 Other advancement and regulation of commerce:					
Legislative branch	7	2	11	12	13
Department of Commerce [1]	408	106	448	476	595
Department of Housing and Urban Development	6	1	8	7	7
General Services Administration	1	*	1	1	1
Other independent agencies:					
Commodity Futures Trading Commission	11	3	13	13	13
Federal Communications Commission	51	13	57	60	60
Federal Trade Commission	47	13	55	60	60
National Center for Productivity and Quality of Working Life	2	*	3	5	-------
Securities and Exchange Commission	49	13	57	58	57
Small Business Administration	318	10	632	603	698
Other temporary commissions	1	*	2	*	-------
Deductions for offsetting receipts	−23	−7	−24	−25	−25
Total 403	879	154	1,262	1,270	1,479
404 Ground transportation:					
Department of Transportation [1]	7,209	3,731	5,224	8,976	10,091
Other independent agencies:					
Washington Area Metropolitan Transit Authority	100	27	116	37	19
Interstate Commerce Commission	67	14	62	62	60
U.S. Railway Association	522	965	12	435	143
Total 404	7,898	4,736	5,414	9,511	10,314
405 Air transportation:					
Department of Transportation [1]	1,928	951	2,565	2,710	2,860
National Aeronautics and Space Administration	325	83	379	423	488
Other independent agencies: Civil Aeronautics Board	84	23	99	93	96
Total 405	2,337	1,056	3,043	3,226	3,444
406 Water transportation:					
Department of Commerce [1]	531	110	430	396	266
Department of Transportation [1]	1,093	280	1,286	1,336	1,382
Other independent agencies: Federal Maritime Commission	8	2	9	9	9
Deductions for offsetting receipts	−*	−*	−1	−*	−*
Total 406	1,631	392	1,724	1,740	1,656

See footnotes at end of table.

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Table 14. **BUDGET AUTHORITY BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
400 COMMERCE AND TRANSPORTATION—Continued					
407 Other transportation:					
Department of Transportation	63	16	67	74	75
Other independent agencies:					
National Transportation Safety Board	11	3	14	15	15
Other temporary commissions	-------	-------	1	1	-------
Total 407	74	19	81	90	89
Deductions for offsetting receipts [2]	−52	−12	−43	−67	−65
Total commerce and transportation	20,890	7,496	14,974	18,694	19,447
450 COMMUNITY AND REGIONAL DEVELOPMENT					
451 Community development:					
Department of Agriculture	250	38	200	50	50
Department of Commerce	9	2	17	14	15
Department of Housing and Urban Development	2,746	68	3,860	3,812	3,707
Other independent agencies:					
ACTION	103	21	109	95	87
Commission on Fine Arts	*	*	*	*	*
Community Services Administration [1]	520	130	512	398	398
District of Columbia	211	-------	102	161	127
National Capital Planning Commission	2	*	2	2	2
Pennsylvania Avenue Development Corporation	1	*	30	21	46
Total 451	3,842	259	4,833	4,554	4,432
452 Area and regional development:					
Funds appropriated to the President	311	12	118	298	308
Department of Agriculture	318	136	365	352	347
Department of Commerce [1]	514	128	2,600	463	480
Department of the Interior [1]	637	165	736	778	794
Other independent agencies:					
Appalachian Regional Commission [1]	5	1	6	6	6
Joint Federal-State Land Use Planning Commission for Alaska [1]	1	*	1	1	1
Deductions for offsetting receipts	−239	−91	−277	−277	−312
Total 452	1,546	352	3,548	1,622	1,623
453 Disaster relief and insurance:					
Funds appropriated to the President	150	38	200	150	150
Department of Agriculture	10	2	10	10	10
Department of Housing and Urban Development	75	19	82	118	149
Other independent agencies: Small Business Administration	100	1	90	20	96
Total 453	335	60	383	298	405
Deductions for offsetting receipts [2]	−15	−19	−33	−39	−42
Total community and regional development	5,708	653	8,731	6,434	6,418

See footnotes at end of table.

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Table 14. **BUDGET AUTHORITY BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
500 EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES					
501 Elementary, secondary, and vocational education:					
Department of Health, Education, and Welfare	4,846	2,868	5,953	5,177	5,374
Department of the Interior	243	79	256	266	280
Total 501	5,089	2,947	6,209	5,443	5,654
502 Higher education:					
Department of Health, Education, and Welfare	3,688	185	2,950	2,816	3,019
Department of Housing and Urban Development	−19	−5	15	-------	-------
Department of the Treasury	1	-------	-------	-------	-------
Other independent agencies: Harry S. Truman Scholarship Foundation [1]	10	-------	20	-------	-------
Total 502	3,680	180	2,985	2,816	3,019
503 Research and general education aids:					
Legislative branch [1]	100	24	116	144	146
Department of Health, Education, and Welfare [1]	310	211	548	417	416
Department of the Treasury	7	-------	-------	-------	-------
Other independent agencies:					
Corporation for Public Broadcasting	78	18	103	107	120
National Commission on Libraries and Information Science	*	*	4	1	1
National Foundation on the Arts and the Humanities [1]	180	60	253	294	300
Smithsonian Institution	100	27	112	121	121
Deductions for offsetting receipts	−10	−2	−10	−10	−10
Total 503	765	338	1,125	1,074	1,095
504 Training and employment:					
Department of Commerce	374	-------	-------	-------	-------
Department of Health, Education, and Welfare	400	80	370	344	344
Department of Labor [1]	6,490	759	6,494	3,931	3,924
Deductions for offsetting receipts	−*	*	-------	-------	-------
Total 504	7,264	839	6,864	4,275	4,268
505 Other labor services:					
Department of Labor [1]	237	59	277	305	309
Other independent agencies:					
Committee for Purchase from the Blind and Other Severely Handicapped	*	*	*	*	*
Federal Mediation and Conciliation Service	18	5	21	22	22
National Labor Relations Board	70	18	81	89	92
National Mediation Board	3	1	4	4	4
Total 505	329	82	383	420	427

See footnotes at end of table.

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Table 14. **BUDGET AUTHORITY BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
500 EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES—Continued					
506 Social services:					
Department of Health, Education, and Welfare	4,095	935	4,197	3,940	4,008
Department of Housing and Urban Development	-------	-------	3	5	5
Total 506	4,095	935	4,200	3,945	4,013
Deductions for offsetting receipts [2]	−5	−1	−5	−6	−5
Total education, training, employment, and social services	21,217	5,321	21,762	17,967	18,471
550 HEALTH					
551 Health care services:					
Department of Health, Education, and Welfare [1]	32,463	8,448	41,257	36,303	40,688
Other independent agencies: Civil Service Commission [1]	348	99	452	506	596
Deductions for offsetting receipts	−3,598	−878	−5,997	−7,077	−7,500
Total 551	29,214	7,669	35,712	29,733	33,784
552 Health research and education:					
Department of Health, Education, and Welfare	2,981	555	3,188	2,439	2,400
553 Prevention and control of health problems:					
Department of Agriculture	228	65	241	242	242
Department of Health, Education, and Welfare	612	103	553	341	341
Department of the Interior	84	21	98	106	111
Department of Labor	117	29	130	135	135
Other independent agencies:					
Consumer Product Safety Commission	40	10	40	40	40
Occupational Safety and Health Review Commission	6	1	6	7	7
Total 553	1,087	231	1,069	871	876
554 Health planning and construction:					
Department of Health, Education, and Welfare [1]	378	53	394	1,210	1,236
Deductions for offsetting receipts	−2	−1	−1	−1	−1
Total 554	376	52	393	1,208	1,235
555 General health financing assistance:					
Department of Health, Education, and Welfare	-------	-------	-------	13,172	13,830
Deductions for offsetting receipts [2]	−8	−1	−8	−8	−8
Total health	33,649	8,505	40,354	47,416	52,118

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Table 14. **BUDGET AUTHORITY BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
600 INCOME SECURITY					
601 General retirement and disability insurance:					
Department of Health, Education, and Welfare [1]	72,197	18,592	82,684	91,881	106,426
Department of Labor [1]	26	6	33	31	32
Other independent agencies: Railroad Retirement Board [1]	3,485	374	3,914	4,169	4,004
Deductions for offsetting receipts	−2,004	−*	−2,286	−2,568	−2,435
Total 601	73,705	18,972	84,345	93,513	108,027
602 Federal employee retirement and disability:					
Legislative branch	*	*	*	*	*
The Judiciary [1]	2	1	64	2	2
Department of Labor	276	75	307	292	330
Department of State	97	11	159	161	171
Other independent agencies: Civil Service Commission	13,099	1,480	16,472	16,482	17,903
Deductions for offsetting receipts	−4	−1	−87	−50	−50
Total 602	13,470	1,565	16,916	16,888	18,357
603 Unemployment insurance:					
Department of Labor [1]	21,111	3,350	21,013	17,761	17,477
Deductions for offsetting receipts	−7,878	−625	−3,851	−1,800	−3,000
Total 603	13,233	2,725	17,162	15,961	14,477
604 Public assistance and other income supplements:					
Department of Agriculture	7,737	1,966	8,160	6,700	7,241
Department of Health, Education, and Welfare [1]	11,626	3,131	12,449	12,476	12,843
Department of Housing and Urban Development	19,405	107	15,512	24,598	24,954
Department of the Treasury	808	86	856	-------	-------
Other independent agencies: Railroad Retirement Board	38	10	40	50	30
Total 604	39,613	5,300	37,017	43,825	45,069
Deductions for offsetting receipts [2]	−1	−*	−*	−*	−*
Total income security	140,019	28,562	155,440	170,186	185,930
700 VETERANS BENEFITS AND SERVICES					
701 Income security for veterans:					
Veterans Administration [1]	9,145	2,299	9,954	10,071	9,932
Deductions for offsetting receipts	−460	−149	−500	−523	−512
Total 701	8,685	2,150	9,454	9,548	9,420

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Table 14. **BUDGET AUTHORITY BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
700 VETERANS BENEFITS AND SERVICES—Continued					
702 Veterans education, training, and rehabilitation:					
Veterans Administration [1]	6,015	1,159	3,990	2,751	3,111
Deductions for offsetting receipts	-------	-------	−6	−31	−54
Total 702	6,015	1,159	3,984	2,720	3,057
703 Hospital and medical care for veterans:					
Veterans Administration	4,436	1,092	5,077	5,319	5,489
705 Other veterans benefits and services:					
Department of Defense—Civil [1]	21	5	22	22	22
Department of the Treasury	*	*	*	*	*
Veterans Administration [1]	517	122	534	587	589
Other independent agencies: American Battle Monuments Commission [1]	5	2	6	6	6
Deductions for offsetting receipts	−*	−*	−1	−2	−2
Total 705	544	129	561	614	615
Deductions for offsetting receipts [2]	−2	−1	−2	−2	−2
Total veterans benefits and services	19,678	4,529	19,073	18,199	18,580
750 LAW ENFORCEMENT AND JUSTICE					
751 Federal law enforcement and prosecution:					
The Judiciary [1]	21	5	23	27	28
Department of Health, Education, and Welfare	25	7	30	33	33
Department of Housing and Urban Development	12	3	12	15	15
Department of Justice	1,129	297	1,246	1,300	1,302
Department of the Treasury	569	151	609	660	664
Other independent agencies:					
Administrative Conference of the United States	1	*	1	1	1
Commission on Civil Rights	8	2	10	11	10
Equal Employment Opportunity Commission	64	19	71	74	74
Legal Services Corporation	92	25	125	90	90
Other temporary commissions	1	*	*	-------	-------
Deductions for offsetting receipts	−2	−1	−2	−2	−2
Total 751	1,920	508	2,125	2,209	2,215
752 Federal judicial activities:					
Legislative branch	7	2	7	8	8
The Judiciary	322	82	368	414	438
Other independent agencies: Indian Claims Commission	1	*	2	2	-------
Total 752	331	84	377	423	446

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Table 14. **BUDGET AUTHORITY BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
750 LAW ENFORCEMENT AND JUSTICE—Continued					
753 Federal correctional and rehabilitative activities:					
Department of Justice [1]	240	63	329	336	393
754 Law enforcement assistance:					
Department of Justice	810	205	759	714	715
Deductions for offsetting receipts [2]	−4	−31	−6	−6	−6
Total law enforcement and justice	3,297	829	3,584	3,677	3,762
800 GENERAL GOVERNMENT					
801 Legislative functions:					
Legislative branch [1]	780	188	806	838	847
Deductions for offsetting receipts	−1	−*	−1	−1	−1
Total 801	779	188	805	837	846
802 Executive direction and management:					
Executive Office of the President	69	18	75	72	72
Funds appropriated to the President	1	*	1	1	1
General Services Administration	*	*	3	1	1
Total 802	71	18	79	74	74
803 Central fiscal operations:					
Department of the Treasury [1]	2,006	507	2,160	2,320	2,329
Deductions for offsetting receipts	−193	−34	−170	−190	−190
Total 803	1,813	473	1,990	2,130	2,139
804 General property and records management:					
General Services Administration [1]	347	78	350	339	340
Other temporary commissions	4	2	5	-------	-------
Deductions for offsetting receipts	*	-------	-------	-------	-------
Total 804	352	80	355	339	340
805 Central personnel management:					
Other independent agencies:					
Advisory Committee on Federal Pay	*	*	*	*	*
Civil Service Commission	4,849	25	7,396	7,034	8,055
Other temporary commissions	-------	-------	*	-------	-------
Deductions for offsetting receipts	−4,750	−*	−7,287	−6,921	−7,943
Total 805	99	25	109	113	113

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Table 14. **BUDGET AUTHORITY BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
800 GENERAL GOVERNMENT—Continued					
806 Other general government:					
Legislative branch	45	11	47	65	214
The Judiciary	2	-------	-------	-------	-------
Department of Defense—Civil	62	17	69	74	74
Department of the Interior [1]	210	128	200	274	260
Department of the Treasury [1]	171	11	254	258	209
General Services Administration	3	1	3	3	3
Other independent agencies:					
Civil Service Commission	15	4	15	-------	-------
Federal Election Commission	5	1	6	7	-------
American Revolution Bicentennial Administration [1]	28	10	4	-------	-------
Other historical and memorial agencies [1]	-------	*	*	*	30
Advisory Commission on Intergovernmental Relations [1]	1	*	1	2	2
Other temporary commissions	13	1	1	25	*
National Commission on the Observance of International Women's Year [1]	5	*	*	*	-------
Deductions for offsetting receipts	−28	−6	−52	−145	−152
Total 806	532	177	549	563	638
Deductions for offsetting receipts [2]	−272	−69	−184	−152	−152
Total general government	3,372	892	3,705	3,904	3,997
850 REVENUE SHARING AND GENERAL PURPOSE FISCAL ASSISTANCE					
851 General revenue sharing:					
Department of the Treasury [1]	12,713	3,328	13,315	13,715	13,715
Deductions for offsetting receipts	−6,360	−1,664	−6,655	−6,855	−6,855
Total 851	6,353	1,664	6,661	6,860	6,860
852 Other general purpose fiscal assistance:					
Department of Agriculture	89	110	50	191	208
Department of Defense—Civil	4	-------	5	4	5
Department of the Interior	198	147	266	392	426
Department of the Treasury	2,638	398	1,269	1,328	922
Other independent agencies:					
District of Columbia	295	83	323	318	300
Federal Energy Administration	5	-------	-------	-------	-------
Federal Power Commission	*	-------	*	*	*
Deductions for offsetting receipts	−40	-------	−78	−20	-------
Total 852	3,189	737	1,835	2,214	1,862
Total revenue sharing and general purpose fiscal assistance	9,542	2,402	8,496	9,074	8,722
900 INTEREST					
901 Interest on the public debt:					
Department of the Treasury	37,063	8,102	42,000	44,600	47,300

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Table 14. **BUDGET AUTHORITY BY FUNCTION AND AGENCY—Continued**

(In millions of dollars)

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
900 INTEREST—Continued					
902 Other interest:					
Department of the Treasury	303	103	288	308	308
General Services Administration	1	-------	1	-------	-------
Deductions for offsetting receipts	−2,776	−960	−4,302	−5,173	−5,189
Total 902	−2,472	−857	−4,013	−4,866	−4,881
Total interest	34,591	7,244	37,987	39,734	42,419
Allowances for:					
Civilian agency pay raises	-------	-------	-------	1,199	2,311
Contingencies for:					
Relatively uncontrollable programs	-------	-------	-------	0	0
Other requirements	-------	-------	-------	1,750	2,000
Undistributed offsetting receipts:					
Employer share, employee retirement:					
Interfund transactions	−3,233	−890	−3,407	−3,557	−3,924
Receipts from off-budget Federal entities	−1,009	−95	−1,185	−1,113	−1,183
Interest received by trust funds	−7,800	−270	−8,201	−8,659	−9,700
Rents and royalties on the Outer Continental Shelf	−2,662	−1,311	−2,600	−3,100	−2,500
Total budget authority [3]	**415,336**	**91,409**	**435,925**	**480,440**	**518,615**
Budget authority for off-budget Federal entities:					
300 NATURAL RESOURCES, ENVIRONMENT AND ENERGY					
305 Energy:					
Department of Agriculture	*1,000*	-------	*25*	-------	-------
Energy Independence Authority	-------	-------	-------	*83,000*	-------
Total natural resources, environment, and energy	*1,000*	-------	*25*	*83,000*	-------
400 COMMERCE AND TRANSPORTATION					
401 Mortgage credit and thrift insurance:					
Department of Housing and Urban Development	*750*	-------	*750*	*750*	*750*
404 Ground transportation:					
Other independent agencies: United States Railway Association	*−1,225*	-------	*120*	-------	-------
Total commerce and transportation	*−475*	-------	*870*	*750*	*750*

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Table 14. BUDGET AUTHORITY BY FUNCTION AND AGENCY—Continued

(In millions of dollars)

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
Budget authority for off-budget entities—Continued					
450 COMMUNITY AND REGIONAL DEVELOPMENT					
452 Area and regional development: Department of Agriculture	*89*	*17*	*136*	*125*	*116*
800 GENERAL GOVERNMENT					
807 Federal Financing Bank: Department of the Treasury	*8,946*	*3,471*	*12,154*	*9,963*	*10,461*
Budget authority, off-budget Federal entities	*9,561*	*3,488*	*13,186*	*93,838*	*11,327*
Budget authority including off-budget Federal entities	*424,896*	*94,897*	*449,111*	*574,278*	*529,942*

* $500 thousand or less.
[1] Includes both Federal and trust funds.
[2] Excludes offsetting receipts which have been distributed by subfunction above.
[3] Consists of:

	1976 act.	*TQ act.*	*1977 est.*	*1978 est.*
Federal funds	312,693	63,012	325,560	349,065
Trust funds	137,432	32,780	147,282	167,800
Interfund transactions	−34,789	−4,383	−36,918	−36,425

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Table 15. **OUTLAYS BY FUNCTION AND AGENCY** (in millions of dollars)

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
050 NATIONAL DEFENSE					
051 Department of Defense—Military:					
Military personnel	25,064	6,358	26,212	26,005	26,235
Retired military personnel	7,296	1,947	8,234	9,035	9,704
Operation and maintenance	27,902	7,261	31,146	33,539	35,242
Procurement	15,964	3,766	18,710	23,786	28,840
Research, development, test, and evaluation	8,923	2,206	9,993	11,350	12,478
Military construction	2,019	376	2,087	2,046	1,951
Other [1]	1,025	7	1,844	1,623	1,626
Allowances	-------	-------	-------	2,315	4,826
Deductions for offsetting receipts	−155	5	−176	−176	−107
Total 051	88,036	21,926	98,050	109,523	120,795
052 Military assistance:					
Funds appropriated to the President [1]	7,976	2,837	9,361	9,687	9,109
Deductions for offsetting receipts	−7,476	−2,653	−9,111	−9,110	−8,615
Total 052	501	183	250	577	494
053 Atomic energy defense activities:					
Energy Research and Development Administration	1,565	435	1,829	2,162	2,459
054 Defense-related activities:					
Funds appropriated to the President	−2	-------	-------	-------	-------
Department of Health, Education, and Welfare	*	-------	-------	-------	-------
General Services Administration	16	32	17	235	316
Other independent agencies:					
Central Intelligence Agency	-------	-------	28	35	42
Intelligence Community Oversight	-------	-------	9	10	10
Renegotiation Board	6	1	6	6	6
Selective Service System	37	4	11	6	6
Other temporary commissions	1	*	*	-------	-------
Deductions for offsetting receipts	−162	−64	−124	−290	−329
Total 054	−103	−27	−52	3	52
Deductions for offsetting receipts [2]	−3	1	−3	−3	−3
Total national defense	89,996	22,518	100,075	112,262	123,798
150 INTERNATIONAL AFFAIRS					
151 Foreign economic and financial assistance:					
Funds appropriated to the President [1]	2,756	1,075	3,840	4,034	4,231
Department of Agriculture	693	418	1,091	1,094	1,051
Department of State	42	9	36	24	25
Department of Transportation [1]	20	4	17	9	26
Other independent agencies: ACTION [1]	69	23	87	71	67
Deductions for offsetting receipts	−12	−3	−12	−11	−11
Total 151	3,568	1,526	5,059	5,221	5,389

See footnotes at end of table.

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Table 15. **OUTLAYS BY FUNCTION AND AGENCY (in millions of dollars)—Con.**

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
150 INTERNATIONAL AFFAIRS—Con.					
152 Conduct of foreign affairs:					
Funds appropriated to the President	16	1	21	21	21
Department of State [1]	743	259	1,089	1,158	1,257
Other independent agencies:					
Arms Control and Disarmament Agency	11	3	12	13	13
Foreign Claims Settlement Commission	1	*	1	1	1
International Trade Commission	10	2	12	12	12
Other temproary commissions	*		*		
Deductions for offsetting receipts	−55	−2	−105	−115	−124
Total 152	726	262	1,030	1,091	1,180
153 Foreign information and exchange activities:					
Department of State [1]	65	21	68	80	89
Other independent agencies:					
Board for International Broadcasting	59	21	55	59	62
Japan-United States Friendship Commission [1]	18	−*	1	1	1
United States Information Agency [1]	257	73	270	282	294
Deductions for offsetting receipts	−18	−*	−*	−*	−*
Total 153	382	115	394	422	446
155 International financial programs:					
Funds appropriated to the President			300	130	120
Other independent agencies: Export Import Bank	856	273	899	964	1,091
Deductions for offsetting receipts	−20	−20	−20	−20	−20
Total 155	836	253	1,179	1,074	1,191
Deductions for offsetting receipts [2]	−446	−160	−512	−527	−579
Total international affairs	5,067	1,997	7,150	7,281	7,627
250 GENERAL SCIENCE, SPACE, AND TECHNOLOGY					
251 General science and basic research:					
Energy Research and Development Administration	299	84	339	388	439
Other independent agencies:					
National Science Foundation [1]	733	207	737	825	886
Smithsonian Institution [1]	2	*	2	2	2
Total 251	1,035	292	1,077	1,216	1,328
253 Space flight:					
National Aeronautics and Space Administration	2,000	525	2,044	2,156	2,230
254 Space science, applications, and technology:					
National Aeronautics and Space Administration	980	251	960	974	1,205

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Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
250 GENERAL SCIENCE, SPACE, AND TECHNOLOGY—Continued					
255 Supporting space activities:					
National Aeronautics and Space Administration [1]	359	94	354	381	441
Deductions for offsetting receipts	−1	−*	-------	-------	-------
Total 255	358	94	354	381	441
Deductions for offsetting receipts [2]	−3	−1	−2	−2	−2
Total general science, space, and technology	4,370	1,161	4,434	4,725	5,202
300 NATURAL RESOURCES, ENVIRONMENT, AND ENERGY					
301 Water resources and power:					
Department of Agriculture [1]	185	54	261	185	163
Department of Defense—Civil [1]	2,151	592	2,495	2,648	2,654
Department of the Interior [1]	545	175	1,127	899	944
Department of State	16	4	22	27	23
Other independent agencies:					
Delaware River Basin Commission	*	*	*	*	*
Susquehanna River Basin Commission	*	*	*	*	*
Other temporary commissions	*	-------	-------	-------	-------
Tennessee Valley Authority	980	232	1,203	1,472	1,296
Water Resources Council [1]	15	3	22	2	-------
Deductions for offsetting receipts	−293	−80	−340	−338	−338
Total 301	3,600	981	4,790	4,895	4,743
302 Conservation and land management:					
Department of Agriculture [1]	1,348	453	1,620	1,457	1,387
Department of Commerce	13	5	23	38	54
Department of the Interior [1]	264	75	342	363	398
Department of State	5	2	5	6	6
Other independent agencies: Marine Mammal Commission	1	*	1	1	1
Deductions for offsetting receipts	−385	−58	−527	−495	−494
Total 302	1,245	477	1,464	1,370	1,352
303 Recreational resources:					
Department of Agriculture	3	1	3	4	4
Department of Defense—Civil	2	*	3	6	6
Department of the Interior [1]	892	255	1,233	1,372	1,504
Other independent agencies:					
Advisory Council on Historic Preservation	-------	-------	1	1	1
Other temporary commissions	*	*	*	-------	-------
Deductions for offsetting receipts	−2	−1	−2	−2	−2
Total 303	895	256	1,237	1,381	1,512

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Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
300 NATURAL RESOURCES, ENVIRONMENT, AND ENERGY—Continued					
304 Pollution control and abatement:					
Department of the Interior	*	*	-------	-------	-------
Department of Transportation	7	7	7	8	9
Environmental Protection Agency [1]	3,052	1,084	5,189	5,905	6,034
Other independent agencies:					
Interstate Commission on the Potomac River Basin	*	*	*	*	*
Other temporary commissions	7	*	*	-------	-------
Deductions for offsetting receipts	—*	—*	—*	—*	—*
Total 304	3,067	1,091	5,196	5,913	6,043
305 Energy:					
Funds appropriated to the President	-------	-------	327	1,008	685
Department of Agriculture	21	5	23	23	23
Department of the Interior	51	7	63	64	68
Energy Research and Development Administration [1]	1,896	532	3,208	3,909	4,873
Environmental Protection Agency	66	25	106	101	101
Other independent agencies:					
Energy Independence Authority	-------	-------	-------	42	55
Federal Energy Administration	136	39	510	1,195	1,428
Federal Power Commission	36	9	43	43	43
Nuclear Regulatory Commission	180	46	236	271	311
Deductions for offsetting receipts	—*	—12	—401	—561	—695
Total 305	2,385	649	4,115	6,094	6,892
306 Other natural resources:					
Department of Commerce [1]	507	132	582	594	604
Department of the Interior [1]	400	101	476	509	529
Deductions for offsetting receipts	—10	—4	—11	—11	—11
Total 306	897	229	1,048	1,092	1,122
Deductions for offsetting receipts [2]	—807	—359	—800	—997	—1,045
Total natural resources, environment, and energy	11,282	3,324	17,050	19,747	20,619
350 AGRICULTURE					
351 Farm income stabilization:					
Department of Agriculture [1]	1,573	343	1,773	1,188	731
Other independent agencies: Farm Credit Administration	1	—*	—*	-------	-------
Total 351	1,574	343	1,773	1,188	731
352 Agricultural research and services:					
Department of Agriculture [1]	969	253	1,177	1,196	1,212
Deductions for offsetting receipts	—48	—13	—49	—49	—49
Total 352	921	240	1,128	1,147	1,163
Deductions for offsetting receipts [2]	7	1	—2	—3	—3
Total Agriculture	2,502	584	2,899	2,333	1,891

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Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
400 COMMERCE AND TRANSPORTATION					
401 Mortgage credit and thrift insurance:					
Department of Agriculture	7	516	−429	415	517
Department of Housing and Urban Development	1,799	−199	647	635	188
Other independent agencies:					
Federal Deposit Insurance Corporation	−478	133	−861	−379	−780
Federal Home Loan Bank Board	−79	−178	−1,420	−423	−462
National Credit Union Administration	−20	4	−26	−31	−36
Total 401	1,229	276	−2,090	217	−573
402 Postal Service:					
Other independent agencies: Postal Service	1,720	938	2,272	1,472	1,435
403 Other advancement and regulation of commerce:					
Legislative branch	7	2	11	12	13
Department of Commerce [1]	415	100	462	475	592
Department of Housing and Urban Development	1	2	7	7	12
Department of the Treasury [1]	4	−22	3	2	3
General Services Administration	1	*	1	1	1
Other independent agencies:					
Commodity Futures Trading Commission	11	3	14	13	13
Emergency Loan Guarantee Board	−7	−4	−6	−4	−1
Federal Communications Commission	53	13	57	60	60
Federal Trade Commission	44	11	54	58	61
National Center for Productivity and Quality of Working Life	2	1	3	6	-----
Securities and Exchange Commission	51	12	58	58	57
Small Business Administration	307	72	393	430	517
Other temporary commissions	1	1	2	*	-----
Deductions for offsetting receipts	−23	−7	−24	−25	−25
Total 403	867	182	1,036	1,094	1,302
404 Ground transportation:					
Department of Agriculture	-----	-----	3	8	4
Department of Housing and Urban Development	*	*	2	-----	-----
Department of Transportation [1]	8,754	2,217	9,125	10,536	11,004
Other independent agencies:					
Washington Area Metropolitan Transit Authority	170	52	315	179	32
Interstate Commerce Commission	52	13	61	63	59
Other temporary commissions	*	-----	-----	-----	-----
United States Railway Association	329	3	614	512	207
Total 404	9,305	2,284	10,119	11,298	11,307
405 Air transportation:					
Department of Transportation [1]	2,133	482	2,395	2,705	2,751
National Aeronautics and Space Administration	333	83	349	392	456
Other independent agencies: Civil Aeronautics Board	91	22	99	93	93
Total 405	2,557	587	2,843	3,190	3,300

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Table 15. **OUTLAYS BY FUNCTION AND AGENCY (in millions of dollars)—Con.**

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
400 COMMERCE AND TRANSPORTATION—Continued					
406 Water transportation:					
Department of Commerce [1]	548	138	673	626	449
Department of Defense—Civil	−3	−1	2	-------	-------
Department of Transportation [1]	1,005	278	1,203	1,329	1,378
Other independent agencies:					
Federal Maritime Commission	8	2	9	9	9
Other temporary commissions	-------	*	-------	-------	-------
Deductions for offsetting receipts	−*	−*	−1	−*	−*
Total 406	1,558	417	1,885	1,964	1,836
407 Other transportation:					
Department of Transportation	53	25	68	69	76
Other independent agencies:					
National Transportation Safety Board	11	3	14	15	15
Other temporary commissions	-------	-------	1	1	*
Total 407	65	28	83	85	91
Deductions for offsetting receipts [2]	−52	−12	−43	−67	−65
Total commerce and transportation	17,248	4,700	16,106	19,252	18,632
450 COMMUNITY AND REGIONAL DEVELOPMENT					
451 Community development:					
Department of Agriculture	75	24	163	199	159
Department of Commerce	7	3	14	20	15
Department of Health, Education, and Welfare	15	3	5	-------	-------
Department of Housing and Urban Development	2,741	880	3,869	4,145	4,034
Other independent agencies:					
ACTION	108	25	110	97	87
Commission on Fine Arts	*	*	*	*	*
Community Services Administration [1]	462	124	528	448	396
District of Columbia	116	80	176	176	127
National Capital Planning Commission	2	*	2	2	2
Pennsylvania Avenue Development Corporation	1	*	24	26	33
Total 451	3,527	1,139	4,892	5,112	4,854
452 Area and regional development:					
Funds appropriated to the President	319	74	328	326	325
Department of Agriculture	238	43	247	301	308
Department of Commerce [1]	378	109	1,247	1,269	712
Department of the Interior [1]	564	163	687	712	740
Other independent agencies:					
Appalachian Regional Commission [1]	6	1	6	6	6
Joint Federal-State Land Use Planning Commission for Alaska [1]	1	*	1	1	1
Deductions for offsetting receipts	−239	−91	−277	−277	−312
Total 452	1,266	299	2,240	2,339	1,779

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Table 15. **OUTLAYS BY FUNCTION AND AGENCY (in millions of dollars)—Con.**

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
450 COMMUNITY AND REGIONAL DEVELOPMENT—Continued					
453 Disaster relief and insurance:					
Funds appropriated to the President	291	71	300	150	150
Department of Agriculture	11	3	15	15	12
Department of Housing and Urban Development	90	30	173	211	265
Other independent agencies: Small Business Administration	129	6	108	81	93
Total 453	522	111	596	457	520
Deductions for offsetting receipts [2]	−15	−19	−33	−39	−42
Total community and regional development	5,300	1,530	7,695	7,868	7,111
500 EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES					
501 Elementary, secondary, and vocational education:					
Department of Health, Education, and Welfare	4,462	1,142	4,968	5,235	5,117
Department of the Interior	228	65	256	259	272
Total 501	4,690	1,207	5,225	5,494	5,389
502 Higher education:					
Department of Health, Education, and Welfare	2,711	714	3,410	2,932	2,890
Department of Housing and Urban Development	−49	24	26	4	1
Department of the Treasury	1	-------	1	----------	----
Other independent agencies:					
Harry S. Truman Scholarship Foundation [1]	−1	*	−2	−2	−1
Other temporary commissions	−*	-------	*	-------	-------
Total 502	2,663	739	3,434	2,934	2,890
503 Research and general education aids:					
Legislative branch [1]	93	22	116	136	150
Department of Health, Education, and Welfare [1]	359	66	458	488	461
Department of the Treasury	*	*	6	-------	-------
Other independent agencies:					
Corporation for Public Broadcasting	70	26	103	107	120
National Commission on Libraries and Information Science	*	-------	2	2	2
National Foundation on the Arts and the Humanities [1]	152	44	308	351	309
Smithsonian Institution	110	30	118	120	127
Deductions for offsetting receipts	−10	−2	−10	−10	−10
Total 503	774	186	1,100	1,193	1,158

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Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
500 EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES—Continued					
504 Training and employment:					
Department of Commerce	269	79	129	-------	-------
Department of Health, Education, and Welfare	307	86	365	344	344
Department of Labor [1]	5,709	1,747	6,347	5,003	3,924
Other independent agencies: Community Services Administration	2	*	2	2	2
Deductions for offsetting receipts	—*	*	-------	-------	-------
Total 504	6,288	1,912	6,842	5,349	4,270
505 Other labor services:					
Department of Labor [1]	212	62	273	301	307
Other independent agencies: Committee for Purchase from the Blind and other Severely Handicapped	*	*	*	*	*
Federal Mediation and Conciliation Service	18	4	20	22	22
National Labor Relations Board	68	16	82	88	91
National Mediation Board	3	1	4	4	4
Other temporary commissions	—*	-------	-------	-------	-------
Total 505	301	83	380	415	424
506 Social services:					
Department of Health, Education, and Welfare	3,456	887	4,137	3,973	4,015
Department of Housing and Urban Development	*	-------	1	4	5
Other independent agencies: Cabinet Committee on Opportunities for Spanish Speaking People	*	-------	-------	-------	-------
Total 506	3,456	887	4,138	3,977	4,020
Deductions for offsetting receipts [2]	—5	—1	—5	—6	—5
Total education, training, employment, and social services	18,167	5,013	21,114	19,358	18,146
550 HEALTH					
551 Health care services:					
Department of Health, Education, and Welfare [1]	31,933	8,344	40,010	32,615	35,152
Other independent agencies: Civil Service Commission [1]	320	91	441	482	573
Deductions for offsetting receipts	—3,598	—878	—5,997	—7,077	—7,500
Total 551	28,655	7,556	34,454	26,020	28,225
552 Health research and education:					
Department of Health, Education, and Welfare	3,086	934	2,762	2,623	2,454
Department of Housing and Urban Development	—*	—*	—*	—*	—*
Total 552	3,086	934	2,762	2,623	2,454

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Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
550 HEALTH—Continued					
553 Prevention and control of health problems:					
Executive Office of the President	13	1	6	-------	-------
Department of Agriculture	217	50	239	241	241
Department of Health, Education, and Welfare	496	138	567	421	412
Department of the Interior	84	21	102	105	108
Department of Labor	109	31	129	132	132
Other independent agencies:					
Consumer Product Safety Commission	38	10	46	39	46
Federal Metal and Nonmetallic Mine Safety Board of Review	*	-------	-------	-------	-------
Occupational Safety and Health Review Commission	6	1	7	7	7
Total 553	963	251	1,096	945	947
554 Health planning and construction:					
Department of Health, Education, and Welfare [1]	754	−19	949	1,323	1,305
Department of the Interior	−*	*	-------	-------	-------
Deductions for offsetting receipts	−2	−1	−1	−1	−1
Total 554	752	−20	947	1,322	1,304
555 General health financing assistance:					
Department of Health, Education, and Welfare	-------	-------	-------	12,302	13,774
Deductions for offsetting receipts [2]	−8	−1	−8	−8	−8
Total health	33,448	8,720	39,251	43,205	46,696
600 INCOME SECURITY					
601 General retirement and disability insurance:					
Department of Health, Education, and Welfare [1]	75,416	20,004	86,338	94,081	102,829
Department of Labor [1]	19	6	33	31	32
Department of the Treasury	17	−1	-------	-------	-------
Other independent agencies: Railroad Retirement Board [1]	3,725	921	3,977	4,146	4,270
Deductions for offsetting receipts	−2,004	−*	−2,286	−2,568	−2,435
Total 601	77,173	20,930	88,062	95,689	104,696
602 Federal employee retirement and disability:					
Legislative branch	*	*	*	*	*
The Judiciary [1]	1	*	33	1	2
Department of Labor	227	66	307	292	330
Department of State	67	18	83	97	109
Other independent agencies: Civil Service Commission	7,883	2,236	9,326	10,753	12,094
Deductions for offsetting receipts	−4	−1	−87	−50	−50
Total 602	8,174	2,319	9,662	11,094	12,486

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Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
600 INCOME SECURITY—Continued					
603 Unemployment insurance:					
Department of Labor [1]	27,330	4,619	20,232	15,661	13,977
Deductions for offsetting receipts	−7,878	−625	−3,851	−1,800	−3,000
Total 603	19,452	3,994	16,380	13,861	10,977
604 Public assistance and other income supplements:					
Department of Agriculture	7,959	1,824	8,144	7,029	7,241
Department of Health, Education, and Welfare [1]	11,143	2,957	12,007	12,459	12,850
Department of Housing and Urban Development	2,493	660	2,947	3,711	4,558
Department of State	205	17	20	-------	-------
Department of the Treasury	808	86	856	-------	-------
Other independent agencies: Railroad Retirement Board	1	9	40	50	30
Total 604	22,609	5,553	24,014	23,249	24,680
Deductions for offsetting receipts [2]	−1	−*	−*	−*	−*
Total income security	127,406	32,796	138,118	143,892	152,838
700 VETERANS BENEFITS AND SERVICES					
701 Income security for veterans:					
Veterans Administration [1]	8,810	2,231	9,607	9,718	9,637
Deductions for offsetting receipts	−460	−149	−500	−523	−512
Total 701	8,350	2,082	9,107	9,195	9,125
702 Veterans education, training, and rehabilitation:					
Veterans Administration [1]	5,531	784	4,144	3,358	3,077
Deductions for offsetting receipts	-------	-------	−6	−31	−54
Total 702	5,531	784	4,138	3,328	3,023
703 Hospital and medical care for veterans:					
Veterans Administration	4,046	1,039	4,851	5,135	5,441
704 Veterans housing:					
Department of Housing and Urban Development	−7	−2	−8	−7	−4
Veterans Administration	−65	−48	−263	28	−235
Total 704	−72	−50	−271	21	−239

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Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
700 VETERANS BENEFITS AND SERVICES—Continued					
705 Other veterans benefits and services:					
Department of Defense—Civil [1]	20	5	21	23	22
Department of the Treasury	*	-------	*	*	*
Veterans Administration [1]	554	103	540	576	586
Other independent agencies: American Battle Monuments Commission [1]	5	2	6	6	6
Deductions for offsetting receipts	−*	−*	−1	−2	−2
Total 705	578	110	565	603	612
Deductions for offsetting receipts [2]	−2	−1	−2	−2	−2
Total veterans benefits and services	18,432	3,962	18,388	18,279	17,960
750 LAW ENFORCEMENT AND JUSTICE					
751 Federal law enforcement and prosecution:					
The Judiciary [1]	22	5	24	27	30
Department of Health, Education, and Welfare	25	6	32	33	33
Department of Housing and Urban Development	12	3	13	15	15
Department of Justice	1,087	304	1,244	1,297	1,303
Department of the Treasury	554	143	618	675	665
Other independent agencies:					
Administrative Conference of the United States	1	*	1	1	1
Commission on Civil Rights	8	2	10	10	10
Equal Employment Opportunity Commission	59	16	68	72	74
Legal Services Corporation	85	52	125	90	90
Other temporary commissions	1	*	*	-------	-------
Deductions for offsetting receipts	−2	−1	−2	−2	−2
Total 751	1,852	529	2,134	2,219	2,218
752 Federal judicial activities:					
Legislative branch	7	2	9	8	8
The Judiciary	304	81	374	413	432
General Services Administration	1	*	2	-------	-------
Other independent agencies: Indian Claims Commission	1	*	2	2	*
Total 752	313	83	387	423	440
753 Federal correctional and rehabilitative activities:					
Department of Justice [1]	238	64	290	327	354

See footnotes at end of table.

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Table 15. OUTLAYS BY FUNCTION AND AGENCY (in millions of dollars)—Con.

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
750 LAW ENFORCEMENT AND JUSTICE—Continued					
754 Law enforcement assistance:					
Department of Justice	921	213	907	827	750
Deductions for offsetting receipts [2]	−4	−31	−6	−6	−6
Total law enforcement and justice	3,320	859	3,712	3,789	3,756
800 GENERAL GOVERNMENT					
801 Legislative functions:					
Legislative branch [1]	678	183	869	915	898
Deductions for offsetting receipts	−1	−*	−1	−1	−1
Total 801	677	182	868	914	898
802 Executive direction and management:					
Executive Office of the President	66	15	76	72	72
Funds appropriated to the President	1	*	1	1	1
Department of the Treasury	*	*	-------	-------	-------
General Services Administration	*	*	3	1	1
Total 802	68	16	80	74	73
803 Central fiscal operations:					
Department of the Treasury [1]	1,990	464	2,153	2,314	2,328
Deductions for offsetting receipts	−193	−34	−170	−190	−190
Total 803	1,798	429	1,983	2,124	2,139
804 General property and records management:					
General Services Administration [1]	94	66	321	358	356
Other temporary commissions	1	1	7	*	-------
Deductions for offsetting receipts	*	-------	-------	-------	-------
Total 804	95	67	328	358	356
805 Central personnel management:					
Other independent agencies:					
Advisory Committee on Federal Pay	*	*	*	*	*
Civil Service Commission	4,857	25	7,397	7,032	8,055
Other temporary commissions	-------	-------	*	-------	-------
Deductions for offsetting receipts	−4,750	−*	−7,287	−6,921	−7,943
Total 805	107	25	110	111	113

See footnotes at end of table.

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Table 15. **OUTLAYS BY FUNCTION AND AGENCY (in millions of dollars)—Con.**

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
800 GENERAL GOVERNMENT—Con.					
806 Other general government:					
Legislative branch	6	19	27	47	199
The Judiciary	*	*	2	*	4
Department of Defense—Civil	60	16	71	75	74
Department of the Interior [1]	195	128	218	271	262
Department of the Treasury [1]	165	51	227	228	174
General Services Administration	3	1	3	3	3
Other independent agencies:					
Civil Service Commission	15	4	15	7	-------
Federal Election Commission	4	1	7	7	-------
American Revolution Bicentennial Administration [1]	32	13	17	-------	-------
Other historical and memorial agencies [1]	*	*	*	*	10
Advisory Commission on Intergovernmental Relations [1]	2	*	2	2	2
Other temporary commissions	1	*	4	6	15
National Commission on the observance of International Women's Year [1]	-------	*	4	1	-------
Deductions for offsetting receipts	−28	−6	−52	−145	−152
Total 806	454	228	545	500	589
Deductions for offsetting receipts [2]	−272	−69	−184	−152	−152
Total general government	2,927	878	3,731	3,930	4,016
850 REVENUE SHARING AND GENERAL PURPOSE FISCAL ASSISTANCE					
851 General revenue sharing:					
Department of the Treasury [1]	12,600	3,252	13,437	13,674	13,715
Deductions for offsetting receipts	−6,360	−1,664	−6,655	−6,855	−6,855
Total 851	6,240	1,588	6,782	6,819	6,860
852 Other general purpose fiscal assistance:					
Department of Agriculture	89	110	50	191	208
Department of Defense—Civil	4	4	-------	5	4
Department of the Interior	213	145	268	394	428
Department of the Treasury	336	71	1,581	382	451
Other independent agencies:					
District of Columbia	272	105	323	318	300
Federal Energy Administration	5	-------	-------	-------	-------
Federal Power Commission	*	*	*	*	*
Deductions for offsetting receipts	−40	-------	−78	−20	-------
Total 852	879	436	2,144	1,270	1,393
Total revenue sharing and general purpose fiscal assistance	7,119	2,024	8,926	8,089	8,253

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Table 15. **OUTLAYS BY FUNCTION AND AGENCY** (in millions of dollars)—**Con.**

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
900 INTEREST:					
901 Interest on the public debt:					
Department of the Treasury	37,063	8,102	42,000	44,600	47,300
902 Other interest:					
Department of the Treasury	302	104	288	308	308
General Services Administration	*	*	1	*	-------
Deductions for offsetting receipts	−2,776	−960	−4,302	−5,173	−5,189
Total 902	−2,474	−856	−4,013	−4,865	−4,881
Total interest	34,589	7,246	37,987	39,735	42,419
Allowances for:					
Civilian agency pay raises	-------	-------	-------	1,151	2,311
Contingencies for:					
Relatively uncontrollable programs	-------	-------	-------	0	0
Other requirements	-------	-------	-------	1,500	2,000
Undistributed offsetting receipts:					
Employer share, employee retirement:					
Interfund transactions	−3,233	−890	−3,407	−3,557	−3,924
Receipts from off-budget Federal entities	−1,009	−95	−1,185	−1,113	−1,183
Interest received by trust funds	−7,800	−270	−8,201	−8,659	−9,700
Rents and royalties on the Outer Continental Shelf	−2,662	−1,311	−2,600	−3,100	−2,500
Total budget outlays [3]	**366,466**	**94,746**	**411,243**	**439,967**	**465,967**
Outlays of off-budget Federal entities:					
150 INTERNATIONAL AFFAIRS					
155 International financial programs:					
Department of the Treasury	*−74*	*−15*	*−58*	*−58*	*−58*
300 NATURAL RESOURCES, ENVIRONMENT, AND ENERGY					
305 Energy:					
Department of Agriculture	*213*	*−80*	*456*	-------	-------
Energy Independence Authority	-------	-------	-------	*650*	*1,450*
Total natural resources, environment, and energy	*213*	*−80*	*456*	*650*	*1,450*
400 COMMERCE AND TRANSPORTATION					
401 Mortgage credit and thrift insurance:					
Department of Housing and Urban Development	*−15*	*−3*	*262*	*738*	*778*
402 Postal Service:					
Other independent agencies: Postal Service	*1,085*	*−726*	*1,006*	*1,815*	*2,526*
404 Ground transportation:					
Other independent agencies: United States Railway Association	*52*	*11*	*298*	-------	*−103*
Total commerce and transportation	*1,123*	*−718*	*1,566*	*2,553*	*3,201*

See footnotes at end of table.

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Table 15. **OUTLAYS BY FUNCTION AND AGENCY (in millions of dollars)—Con.**

Function and department or other unit	1976 act.	TQ act.	1977 est.	1978 est.	1979 est.
Outlays of off-budget entities—Continued					
450 COMMUNITY AND REGIONAL DEVELOPMENT					
452 Area and regional development: Department of Agriculture	*93*	*17*	*95*	*92*	*89*
600 INCOME SECURITY					
601 General retirement and disability insurance: Department of Labor	*—22*	*—**	*—14*	*—16*	*—16*
800 GENERAL GOVERNMENT					
807 Federal Financing Bank: Department of the Treasury	*5,863*	*2,564*	*8,741*	*5,936*	*6,233*
Outlays, off-budget Federal entities	*7,196*	*1,767*	*10,785*	*9,156*	*10,899*
Outlays including off-budget Federal entities	*373,662*	*96,513*	*422,028*	*449,124*	*476,866*

* $500 thousand or less.
[1] Includes both Federal and trust funds.
[2] Excludes offsetting receipts which have been distributed by subfunction above.

[3] Consists of:	*1976 act.*	*TQ act.*	*1977 est.*	*1978 est.*
Federal funds	269,969	65,106	303,136	319,335
Trust funds	131,286	34,023	145,026	157,057
Interfund transactions	—34,789	—4,383	—36,918	—36,425

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Table 16. **CONTROLLABILITY OF BUDGET OUTLAYS, 1968–78** (dollars in billions)

	Actual										Estimate	
	1968	1969	1970	1971	1972	1973	1974	1975	1976	TQ	1977	1978
Relatively uncontrollable under present law:												
Open-ended programs and fixed costs:												
Payments for individuals:												
Social security and railroad retirement	24.8	28.3	31.3	37.2	41.5	50.7	57.6	68.4	76.2	20.7	87.1	95.7
Federal employees' retirement and insurance	4.3	4.8	5.6	6.6	7.7	9.0	10.8	13.3	15.6	4.3	18.0	20.3
(Military retired pay)	(2.1)	(2.4)	(2.8)	(3.4)	(3.9)	(4.4)	(5.1)	(6.2)	(7.3)	(1.9)	(8.2)	(9.0)
(Other)	(2.2)	(2.4)	(2.7)	(3.2)	(3.8)	(4.6)	(5.7)	(7.1)	(8.3)	(2.3)	(9.8)	(11.2)
Unemployment assistance	2.9	2.9	3.7	6.6	7.5	5.7	6.5	14.0	19.8	4.2	16.9	14.5
Veterans benefits: Pensions, compensation, education and insurance	5.0	5.7	6.6	7.6	8.3	9.3	10.0	12.4	13.9	2.9	13.2	13.1
Medicare and medicaid	7.2	8.9	9.9	11.2	13.4	14.1	17.2	21.6	26.3	7.0	32.2	37.9
Housing payments	.3	.3	.5	.7	1.1	1.6	1.8	2.1	2.5	.6	2.9	3.6
Public assistance and related programs	3.4	3.9	4.7	7.4	8.9	9.1	11.5	16.9	20.2	4.9	21.2	22.7
Subtotal, payments for individuals	47.7	54.9	62.2	77.3	88.4	99.6	115.4	148.7	174.4	44.6	191.7	207.8
Net interest [1]	11.1	12.7	14.4	14.8	15.5	17.4	21.5	23.3	26.8	7.0	29.8	31.2
General revenue sharing	------	------	------	------	------	6.6	6.1	6.1	6.2	1.6	6.8	6.8
Farm price supports (CCC)	3.2	4.1	3.8	2.8	4.0	3.6	1.0	.6	.6	.7	1.7	1.0
Other open-ended programs and fixed costs	3.0	2.8	3.8	5.2	6.4	6.3	6.8	8.0	8.8	2.6	10.0	10.4
Total, open-ended programs and fixed costs	64.9	74.5	84.2	100.1	114.3	133.4	150.8	186.8	216.9	56.5	240.0	257.2
(National defense)	(2.2)	(2.6)	(3.0)	(3.4)	(4.0)	(4.1)	(4.7)	(5.4)	(6.8)	(1.2)	(7.8)	(9.1)
(Civilian programs)	(62.8)	(71.9)	(81.2)	(96.7)	(110.3)	(129.3)	(146.1)	(181.4)	(210.1)	(55.2)	(232.2)	(248.1)
Outlays from prior-year contracts and obligations: [2]												
National defense	24.6	25.0	24.5	21.6	19.9	18.3	20.9	23.6	19.1	8.6	23.6	31.4
Civilian programs	17.8	16.9	17.0	18.6	19.4	21.3	22.9	27.1	31.8	11.4	37.4	43.8
Total, outlays from prior-year contracts and obligations	42.3	41.9	41.5	40.2	39.2	39.6	43.8	50.7	50.9	20.0	61.0	75.2
Total, relatively uncontrollable outlays	**107.3**	**116.4**	**125.7**	**140.4**	**153.5**	**173.0**	**194.5**	**237.5**	**267.7**	**76.5**	**301.0**	**332.4**

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Relatively controllable outlays:												
National defense	52.7	52.6	51.8	51.8	53.5	52.6	53.0	57.6	64.1	12.6	68.6	71.7
Civilian programs	20.7	17.6	21.4	21.9	27.7	23.8	24.2	33.5	38.8	6.6	46.2	40.5
Under current law [3]	(73.4)	(70.1)	(73.3)	(73.7)	(81.1)	(76.4)	(77.2)	(91.1)	(103.0)	(19.2)	(114.9)	(118.8)
Under proposed legislation in:												
Open-ended programs and fixed costs [3]	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	(−.3)	(−19.8)
Relatively controllable and new programs [3]	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	(.2)	(13.1)
Total, relatively controllable outlays	**73.4**	**70.1**	**73.3**	**73.7**	**81.1**	**76.4**	**77.2**	**91.1**	**103.0**	**19.2**	**114.8**	**112.2**
Undistributed employer share, employee retirement	**−1.8**	**−2.0**	**−2.4**	**−2.6**	**−2.8**	**−2.9**	**−3.3**	**−4.0**	**−4.2**	**−1.0**	**−4.6**	**−4.7**
Total budget outlays	**178.8**	**184.5**	**196.6**	**211.4**	**231.9**	**246.5**	**268.4**	**324.6**	**366.5**	**94.7**	**411.2**	**440.0**
MEMORANDUM												
Percent of total outlays:												
Relatively uncontrollable under present law:												
Open-ended programs and fixed costs:												
Payments for individuals	26.7%	29.7%	31.7%	36.6%	38.1%	40.4%	43.0%	45.8%	47.6%	47.1%	46.6%	47.2%
Other	9.6	10.6	11.3	10.8	11.1	13.7	13.2	11.7	11.6	12.5	11.8	11.2
Total open-ended programs and fixed costs	36.3	40.4	42.9	47.4	49.3	54.1	56.2	57.6	59.2	59.6	58.4	58.5
Outlays from prior-year contracts and obligations	23.7	22.7	21.1	19.0	16.9	16.1	16.3	15.6	13.9	21.1	14.8	17.1
Total relatively uncontrollable outlays	**60.0**	**63.1**	**64.0**	**66.4**	**66.2**	**70.2**	**72.5**	**73.2**	**73.1**	**80.7**	**73.2**	**75.6**
Relatively controllable outlays	**41.0**	**38.0**	**37.2**	**34.8**	**35.0**	**31.0**	**28.8**	**28.1**	**28.1**	**20.3**	**27.9**	**25.5**
Undistributed employer share, employee retirement	**−1.0**	**−1.1**	**−1.2**	**−1.2**	**−1.2**	**−1.2**	**−1.2**	**−1.2**	**−1.2**	**−1.0**	**−1.1**	**−1.1**
Total budget outlays	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

[1] Proposed legislation in open-ended programs and fixed costs includes −$0.1 billion in 1978 for net interest.
[2] Excluding prior year contracts and obligations for activities shown as "open-ended programs and fixed costs."
[3] National defense portion includes $68.6 billion in 1977 and $72.0 billion in 1978 under current law, −$0.4 billion in 1978 under proposed legislation in relatively controllable programs and less than $50 million in 1978 under proposed legislation in open-ended programs.

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Table 17. **LEGISLATIVE PROPOSALS FOR MAJOR NEW AND EXPANDED PROGRAMS IN THE 1978 BUDGET**
PROJECTION OF COSTS [1] (in millions of dollars)

Agency		Estimates			Projections			Explanation
		1977	1978	1979	1980	1981	1982	
Funds appropriated to the President:								
Sahel development program	BA	-------	50	100	-------	-------	--------	Participate in a multiyear, international effort to improve economic conditions in the 6 drought-prone states of Sahelian Africa.
	O	-------	5	19	25	20	16	
Balance of payments loan for Portugal	BA	300	130	120	-------	-------	--------	Participate in a medium-term international consortium loan to help relieve Portugal's temporary balance of payments problems; the loan, in 3 installments, would be at market-related interest rates.
	O	300	130	120	-------	-------	--------	
Agriculture:								
Child nutrition reform	BA	-------	1,857	2,240	2,381	2,522	2,549	Consolidate 15 child nutrition programs into a single block grant to States to ensure that every needy child has access to nutritious meals. Replaces the existing complex and overlapping categorical programs which subsidize meals for children regardless of income or need.
	O	-------	2,000	2,240	2,381	2,522	2,649	
Defense—Military:								
Uniformed Services Retirement Modernization Act	BA	-------	25	112	93	85	67	Base retirement annuities on average rather than terminal base pay, provide benefits for individuals separating from the military with less than 20 years of service and strengthen the incentives for retirement-eligible personnel to serve full 30-year careers.
	O	-------	25	112	93	85	67	
Defense Officer Personnel Management Act	BA	-------	14	16	14	12	11	Standardize and make uniform the laws governing promotion and retention of regular officers as well as eliminate other unnecessary distinctions between services and between male and female officers.
	O	-------	14	16	14	12	11	
Family separation allowance for E–4's and below with dependents	BA	-------	29	29	29	29	29	Authorize military personnel with the rank of E–4 and below who have dependents to receive a family separation allowance similar to what is provided to other military personnel.
	O	-------	29	29	29	29	29	
Quarters allowance	BA	-------	10	9	9	9	9	Authorize reimbursement of a quarters allowance to Navy personnel when their quarters aboard ship are unavailable due to repairs.
	O	-------	10	9	9	9	9	
Health, Education, and Welfare:								
Financial assistance for health care [2]	BA	-------	13,172	13,830	14,521	15,246	16,008	Consolidate medicaid and 19 categorical health programs into a single block grant to States to support health services, especially for the low-income population.
	O	-------	12,302	13,774	14,521	15,246	16,008	
Financial assistance for elementary and secondary education	BA	-------	3,776	3,976	4,176	4,376	4,576	Consolidate 23 categorical education programs into a single block grant to State and local educational agencies to increase flexibility in use of Federal education funds.
	O	-------	336	2,765	3,643	4,026	4,309	

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Allied services	BA	20	20	20	20	20	20	Authorize a demonstration project grant program to promote integrated social service delivery systems in States and localities.
	O	5	20	20	20	20	20	
Interior:								
Bicentennial land heritage program	BA	1,120	30	20	20	20	20	Provide funds for a 10-year program to upgrade and maintain the Nation's parks and wildlife refuges.
	O	145	189	134	109	109	109	
Migratory bird conservation	BA	-------	10	10	10	10	10	Acquire wetlands for the protection and enhancement of migratory birds through an increase in the price of migratory bird hunting stamps.
	O	-------	10	10	10	10	10	
Treasury:								
Taxable municipal bond option	BA	-------	990	585	1,635	675	1,710	Provide incentives to States and localities to issue taxable bonds.
	O	-------	44	114	211	312	418	
Energy and Research Development Administration:								
Synthetic fuels commercial demonstration program	BA	-------	295	221	25	45	45	Initiate synthetic fuels commercial demonstration projects to accelerate development of private capability to convert oil shale and coal into liquid and gaseous fuels.
	O	-------	3	8	20	25	55	
Environmental Protection Agency:								
Construction grants	BA	-------	4,500	4,500	4,500	4,500	4,500	Fund a 10-year plan of $4.5 billion per year for the waste treatment grant program contingent upon enactment of program reform legislation.
	O	-------	190	1,250	2,980	3,720	4,170	
General Services Administration:								
Disposal of excess strategic stockpile material	BA, O	-------	−229	−256	−160	−114	−114	Provide authority to dispose of excess strategic stockpile material.
Energy Independence Authority:								
Adjustment for net earnings or losses[3]	BA	-------	42	55	75	98	133	Establish Authority to assist development of energy projects where private investment would not otherwise be available.
	O	-------	42	55	75	98	133	
Allowances:								
Relatively small and unforseen items	BA	200	250	300	350	400	450	
	O	150	200	250	300	350	400	

[1] This table is supplied pursuant to the requirements of sec. 221(a) of the Legislative Reorganization Act of 1970 (Public Law 91–510). The estimates represent simple projections of cost expressed in constant dollars at prices existing at the time the estimates are prepared. Estimates are shown for individual programs that involve at east $10 million in outlays a year over a period of years. They are not intended to predict future economic conditions; they do not reflect possible changes in the scope or quality of the proposal that might result from experience gained in actual practice; nor do they reflect in all cases possible reductions in the costs of other programs that may come about as a result of adoption of the proposals. Further, the resources that might appropriately be applied in later years will require a reexamination of the relative priorities of these and other Government programs in the light of economic and other circumstances then prevailing. Thus, the estimates do not represent a commitment as to amounts to be included in future budgets.

[2] Funding for the "Financial Assistance for Health Care Act" assumes cost controls applied to medicaid, and is therefore less than would otherwise be spent under existing law.

[3] Estimates are based on one possible investment strategy and on the assumption that the Authority will be an off-budget entity. It is practically impossible to accurately project investment decisions that would be made by the EIA Board of Directors. Most EIA investments would be in long-leadtime projects, some of which may have early-year losses before becoming profitable ventures, once construction is complete.

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Table 18. **BUDGET RECEIPTS BY SOURCE, 1969–1979** (in millions of dollars)

Source	Actual									Estimate		
	1969	1970	1971	1972	1973	1974	1975	1976	TQ	1977	1978	1979
Individual income taxes	87,249	90,412	86,230	94,737	103,246	118,952	122,386	131,603	38,801	153,097	171,217	205,349
Corporation income taxes	36,678	32,829	26,785	32,166	36,153	38,620	40,621	41,409	8,460	56,604	58,910	63,700
Social insurance taxes and contributions (trust funds):												
Employment taxes and contributions:												
Old-age and survivors insurance	25,484	29,396	31,354	35,132	40,703	47,778	55,207	58,703	15,886	67,682	73,620	85,701
Disability insurance	3,469	4,063	4,490	4,775	5,381	6,147	7,250	7,686	2,130	8,897	12,304	14,785
Hospital insurance	4,398	4,755	4,874	5,205	7,603	10,556	11,258	11,995	3,459	13,750	17,843	20,852
Railroad retirement	885	919	980	1,008	1,189	1,411	1,489	1,525	328	1,860	1,867	2,103
Total employment taxes and contributions	34,236	39,133	41,699	46,120	54,876	65,892	75,204	79,909	21,803	92,189	105,634	123,441
Unemployment insurance	3,328	3,464	3,674	4,357	6,051	6,837	6,771	8,054	2,698	11,514	15,046	17,025
Contributions for other insurance and retirement:												
Supplementary medical insurance	903	936	1,253	1,340	1,427	1,704	1,901	1,937	539	2,180	2,374	2,550
Employees' retirement—employee contributions	1,426	1,735	1,916	2,058	2,146	2,302	2,513	2,760	707	2,944	2,958	3,106
Other retirement contributions	24	29	37	39	41	45	52	54	13	56	56	56
Total contributions for other insurance and retirement	2,353	2,701	3,205	3,437	3,614	4,051	4,466	4,752	1,259	5,180	5,388	5,712
Total social insurance taxes and contributions	39,918	45,298	48,578	53,914	64,542	76,780	86,441	92,714	25,760	108,883	126,068	146,178

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Excise taxes:												
Federal funds:												
Alcohol	4,482	4,610	4,696	5,004	5,040	5,248	5,238	5,318	1,279	5,591	5,810	6,035
Tobacco	2,136	2,093	2,205	2,205	2,274	2,435	2,312	2,484	622	2,575	2,695	2,819
Other	3,967	3,649	3,609	2,297	2,522	2,060	1,850	2,810	620	1,909	1,880	1,700
Total Federal excise taxes	10,585	10,352	10,510	9,506	9,836	9,743	9,400	10,612	2,520	10,075	10,385	10,554
Trust funds:												
Highway	4,637	5,354	5,542	5,322	5,665	6,260	6,188	5,413	1,676	6,660	6,857	7,153
Airport and airway	-------	-------	563	649	758	840	962	938	277	1,191	1,271	1,348
Total trust excise taxes	4,637	5,354	6,104	5,971	6,424	7,100	7,151	6,351	1,953	7,851	8,128	8,501
Total excise taxes	15,222	15,705	16,614	15,477	16,260	16,844	16,551	16,963	4,473	17,926	18,513	19,055
Estate and gift taxes	3,491	3,644	3,735	5,436	4,917	5,035	4,611	5,216	1,455	5,907	5,806	6,283
Customs duties	2,319	2,430	2,591	3,287	3,188	3,334	3,676	4,074	1,212	4,713	5,262	5,851
Miscellaneous receipts:												
Deposit of earnings by Federal Reserve System	2,662	3,266	3,533	3,252	3,495	4,845	5,777	5,451	1,500	6,000	6,400	6,800
Other miscellaneous receipts	247	158	325	381	426	524	934	2,575	112	915	841	1,144
Total miscellaneous receipts [1]	2,908	3,424	3,858	3,633	3,921	5,369	6,711	8,026	1,612	6,915	7,241	7,944
Total budget receipts	**187,784**	**193,743**	**188,392**	**208,649**	**232,225**	**264,932**	**280,997**	**300,005**	**81,773**	**354,045**	**393,017**	**454,360**
MEMORANDUM												
Federal funds	143,321	143,158	133,785	148,846	161,357	181,219	187,505	201,099	54,085	237,405	258,926	NA
Trust funds	52,009	59,362	66,193	72,959	92,193	104,846	118,590	133,695	32,071	153,558	170,515	NA
Interfund transactions	−7,547	−8,778	−11,586	−13,156	−21,325	−21,133	−25,098	−34,789	−4,383	−36,918	−36,425	NA

[1] Includes both Federal and trust funds.
NA = Not available.

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Table 19. **BUDGET OUTLAYS BY FUNCTION, 1969–1979** (in millions of dollars)

Function	Actual									Estimate		
	1969	1970	1971	1972	1973	1974	1975	1976	TQ	1977	1978	1979
050 National defense:												
051 Department of Defense—Military:												
Military personnel	21,374	23,031	22,633	23,036	23,246	23,728	24,968	25,064	6,358	26,212	26,005	26,235
Retired military personnel	2,444	2,849	3,386	3,885	4,390	5,128	6,242	7,296	1,947	8,234	9,035	9,704
Operation and maintenance	22,227	21,609	20,941	21,675	21,069	22,478	26,330	27,902	7,261	31,146	33,539	35,242
Procurement	23,988	21,584	18,858	17,131	15,654	15,241	16,042	15,964	3,766	18,710	23,786	28,840
Research and development	7,457	7,166	7,303	7,881	8,157	8,582	8,866	8,923	2,206	9,993	11,350	12,478
Military construction and other [1]	525	1,059	1,552	1,655	895	2,627	2,754	3,043	383	3,931	5,984	8,403
Deductions for offsetting receipts	−143	−148	−126	−113	−113	−159	−182	−155	5	−176	−176	−107
Subtotal, 051	77,872	77,150	74,546	75,151	73,297	77,625	85,020	88,036	21,926	98,050	109,523	120,795
052 Military assistance	789	731	999	806	531	819	999	501	183	250	577	494
053 Atomic energy defense activities	1,389	1,415	1,385	1,373	1,409	1,486	1,506	1,565	435	1,829	2,162	2,459
054 Defense-related activities	162	−8	−120	29	−162	−1,349	−936	−103	−27	−52	3	52
Deductions for offsetting receipts	−5	−3	−3	−2	−4	−13	−4	−3	1	−3	−3	−3
Total national defense	**80,207**	**79,284**	**76,807**	**77,356**	**75,072**	**78,569**	**86,585**	**89,996**	**22,518**	**100,075**	**112,262**	**123,798**
150 International affairs:												
151 Foreign economic and financial assistance	3,142	2,935	2,902	3,235	2,870	2,884	3,665	3,568	1,526	5,059	5,221	5,389
152 Conduct of foreign affairs	370	398	405	451	475	606	658	726	262	1,030	1,091	1,180
153 Foreign information and exchange activities	237	235	241	274	295	320	348	382	115	394	422	446
155 International financial programs	246	219	−184	184	498	1,178	1,454	836	253	1,179	1,074	1,191
Deductions for offsetting receipts	−211	−223	−271	−277	−634	−167	−263	−446	−160	−512	−527	−579
Total international affairs	**3,784**	**3,564**	**3,093**	**3,868**	**3,504**	**4,821**	**5,862**	**5,067**	**1,997**	**7,150**	**7,281**	**7,627**
250 General science, space, and technology:												
251 General science and basic research	938	947	1,009	978	961	1,018	1,038	1,035	292	1,077	1,216	1,328
253 Space flight	2,900	2,340	1,988	1,906	1,726	1,694	1,661	2,000	525	2,044	2,156	2,230
254 Space science, applications, and technology	794	853	830	952	1,041	947	958	980	251	960	974	1,205

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255 Supporting space activities	387	370	355	338	304	322	334	358	94	354	381	441
Deductions for offsetting receipts	−4	−3	−2	−2	−1	−3	−2	−3	−1	−2	−2	−2
Total general science, space, and technology	**5,016**	**4,508**	**4,180**	**4,174**	**4,030**	**3,977**	**3,989**	**4,370**	**1,161**	**4,434**	**4,725**	**5,202**
300 Natural resources, environment, and energy:												
301 Water resources and power	1,728	1,674	2,053	2,315	2,493	2,540	3,274	3,600	981	4,790	4,895	4,743
302 Conservation and land management	567	717	855	784	725	740	1,300	1,245	477	1,464	1,370	1,352
303 Recreational resources	380	372	476	521	566	665	825	895	256	1,237	1,381	1,512
304 Pollution control and abatement	303	384	702	764	1,122	2,035	2,522	3,067	1,091	5,196	5,913	6,043
305 Energy	952	931	831	1,028	1,015	623	1,611	2,385	649	4,115	6,094	6,892
306 Other natural resources	370	432	498	571	570	673	762	897	229	1,048	1,092	1,122
Deductions for offsetting receipts	−400	−467	−475	−463	−544	−705	−756	−807	−359	−800	−997	−1,045
Total natural resources, environment, and energy	**3,901**	**4,043**	**4,941**	**5,521**	**5,947**	**6,571**	**9,537**	**11,282**	**3,324**	**17,050**	**19,747**	**20,619**
350 Agricultural:												
351 Farm income stabilization	5,304	4,589	3,651	4,553	4,099	1,458	785	1,574	343	1,773	1,188	731
352 Agricultural research and services	520	579	639	728	758	775	877	921	240	1,128	1,147	1,163
Deductions for offsetting receipts	−46	−5	−2	−2	−3	−3	−2	7	1	−2	−3	−3
Total agriculture	**5,779**	**5,164**	**4,288**	**5,279**	**4,855**	**2,230**	**1,660**	**2,502**	**584**	**2,899**	**2,333**	**1,891**
400 Commerce and transportation:												
401 Mortgage credit and thrift insurance	−624	104	−251	−42	−1,192	1,519	2,810	1,229	276	−2,090	217	−573
402 Postal Service	920	1,510	2,183	1,772	1,567	1,698	1,877	1,720	938	2,272	1,472	1,435
403 Other advancement and regulation of commerce	247	477	474	488	552	714	939	867	182	1,036	1,094	1,302
404 Ground transportation	4,443	4,678	5,180	5,353	5,640	5,583	6,501	9,305	2,284	10,119	11,298	11,307
405 Air transportation	1,220	1,422	1,824	1,925	2,177	2,236	2,408	2,557	587	2,843	3,190	3,300
406 Water transportation	874	913	1,052	1,111	1,231	1,354	1,459	1,558	417	1,885	1,964	1,836
407 Other transportation	21	26	37	36	56	57	74	65	28	83	85	91
Deductions for offsetting receipts	−36	−40	−103	−43	−101	−64	−60	−52	−12	−43	−67	−65
Total commerce and transportation	**7,065**	**9,090**	**10,396**	**10,601**	**9,930**	**13,096**	**16,010**	**17,248**	**4,700**	**16,106**	**19,252**	**18,632**

See footnotes at end of table.

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Table 19. **BUDGET OUTLAYS BY FUNCTION, 1969–1979** (in millions of dollars)—Continued

Function	Actual									Estimate		
	1969	1970	1971	1972	1973	1974	1975	1976	TQ	1977	1978	1979
450 Community and regional development:												
451 Community development	1,631	2,328	2,613	3,110	3,088	3,045	3,149	3,527	1,139	4,892	5,112	4,854
452 Area and regional development	566	593	680	836	879	1,111	912	1,266	299	2,240	2,339	1,779
453 Disaster relief and insurance	40	257	353	396	1,580	782	398	522	111	596	457	520
Deductions for offsetting receipts	−12	−13	−14	−16	−19	−27	−27	−15	−19	−33	−39	−42
Total community and regional development	**2,224**	**3,166**	**3,632**	**4,325**	**5,529**	**4,911**	**4,431**	**5,300**	**1,530**	**7,695**	**7,868**	**7,111**
500 Education, training, employment, and social services:												
501 Elementary, secondary, and vocational education	2,728	3,107	3,544	3,962	3,745	3,771	4,634	4,690	1,207	5,225	5,494	5,389
502 Higher education	1,232	1,385	1,433	1,447	1,532	1,349	2,050	2,663	739	3,434	2,934	2,890
503 Research and general education aids	330	521	520	523	668	867	947	774	186	1,100	1,193	1,158
504 Training and employment	1,560	1,602	1,952	2,894	3,283	2,910	4,063	6,288	1,912	6,842	5,349	4,270
505 Other labor services	122	135	157	184	202	219	259	301	83	380	415	424
506 Social services	908	1,148	1,449	2,694	2,455	2,496	3,301	3,456	887	4,138	3,977	4,020
Deductions for offsetting receipts	−10	−10	−10	−11	−10	−13	−5	−5	−1	−5	−6	−5
Total education, training, employment, and social services	**6,871**	**7,888**	**9,045**	**11,694**	**11,874**	**11,598**	**15,248**	**18,167**	**5,013**	**21,114**	**19,358**	**18,146**
550 Health:												
551 Health care services	9,537	10,648	12,107	14,538	15,476	18,502	23,405	28,655	7,556	34,454	26,020	28,225

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552 Health research and education	1,459	1,577	1,687	1,952	2,272	2,334	2,677	3,086	934	2,762	2,623	2,454
553 Prevention and control of health problems	348	362	459	541	638	750	883	963	251	1,096	945	947
554 Health planning and construction	415	469	465	443	449	494	687	752	−20	947	1,322	1,304
555 General health financing assistance	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	12,302	13,774
Deductions for offsetting receipts	−2	−6	−2	−3	−3	−6	−5	−8	−1	−8	−8	−8
Total health	**11,758**	**13,051**	**14,716**	**17,471**	**18,832**	**22,074**	**27,647**	**33,448**	**8,720**	**39,251**	**43,205**	**46,696**
600 Income security:												
601 General retirement and disability insurance	28,288	31,303	37,485	41,966	51,684	58,613	69,383	77,173	20,930	88,062	95,689	104,696
602 Federal employee retirement and disability	1,732	2,688	3,191	3,789	4,500	5,645	6,980	8,174	2,319	9,662	11,094	12,486
603 Unemployment insurance	2,583	3,364	6,169	7,076	5,356	6,065	13,549	19,452	3,994	16,380	13,861	10,977
604 Public assistance and other income supplements	4,679	5,712	8,580	11,081	11,419	14,108	18,783	22,609	5,553	24,014	23,249	24,680
Deductions for offsetting receipts	−1	−2	−2	−2	−2	−*	−1	−1	−*	−*	−*	−*
Total income security	**37,281**	**43,066**	**55,423**	**63,911**	**72,958**	**84,431**	**108,605**	**127,406**	**32,796**	**138,118**	**143,892**	**152,838**
700 Veterans benefits and services:												
701 Income security for veterans	5,036	5,546	5,966	6,344	6,533	6,789	7,860	8,350	2,082	9,107	9,195	9,125
702 Veterans education, training, and rehabilitation	701	1,015	1,659	1,960	2,801	3,249	4,593	5,531	784	4,138	3,328	3,023
703 Hospital and medical care for veterans	1,564	1,800	2,036	2,425	2,711	3,006	3,665	4,046	1,039	4,851	5,135	5,441
704 Veterans housing	102	54	−179	−317	−381	−15	24	−72	−50	−271	21	−239
705 Other veterans benefits and services	239	263	296	320	350	359	458	578	110	565	603	612
Deductions for offsetting receipts	−2	−2	−2	−2	−2	−2	−2	−2	−1	−2	−2	−2
Total veterans benefits and services	**7,640**	**8,677**	**9,776**	**10,730**	**12,013**	**13,386**	**16,597**	**18,432**	**3,962**	**18,388**	**18,279**	**17,960**

See footnotes at end of table.

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Table 19. BUDGET OUTLAYS BY FUNCTION, 1969–1979 (in millions of dollars)—Continued

Function	Actual									Estimate		
	1969	1970	1971	1972	1973	1974	1975	1976	TQ	1977	1978	1979
750 Law enforcement and justice:												
751 Federal law enforcement and prosecution	553	672	821	971	1,168	1,291	1,593	1,852	529	2,134	2,219	2,218
752 Federal judicial activities	112	134	146	172	188	204	279	313	83	387	423	440
753 Federal correctional and rehabilitative activities	71	88	104	128	158	202	226	238	64	290	327	354
754 Law enforcement assistance	29	65	233	380	624	770	853	921	213	907	827	750
Deductions for offsetting receipts	−3	−6	−6	−2	−7	−5	−9	−4	−31	−6	−6	−6
Total law enforcement and justice	**761**	**952**	**1,299**	**1,650**	**2,131**	**2,462**	**2,942**	**3,320**	**859**	**3,712**	**3,789**	**3,756**
800 General government:												
801 Legislative functions	254	303	342	404	438	521	588	677	182	868	914	898
802 Executive direction and management	25	30	38	59	72	117	63	68	16	80	74	73
803 Central fiscal operations	808	934	1,013	1,183	1,209	1,329	1,752	1,798	429	1,983	2,124	2,139
804 General property and records management	587	616	637	719	910	1,030	418	95	67	328	358	356
805 Central personnel management	38	44	51	58	67	74	88	107	25	110	111	113
806 Other general government	88	158	218	189	221	419	472	454	228	545	500	589
Deductions for offsetting receipts	−151	−145	−141	−146	−235	−164	−292	−272	−69	−184	−152	−152
Total general government	**1,649**	**1,940**	**2,159**	**2,466**	**2,682**	**3,327**	**3,089**	**2,927**	**878**	**3,731**	**3,930**	**4,016**

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850 Revenue sharing and general purpose fiscal assistance:												
851 General revenue sharing	-------	-------	-------	-------	6,636	6,106	6,130	6,240	1,588	6,782	6,819	6,860
852 Other general purpose fiscal assistance	365	451	488	531	586	640	875	879	436	2,144	1,270	1,393
Total revenue sharing and general purpose fiscal assistance	**365**	**451**	**488**	**531**	**7,222**	**6,746**	**7,005**	**7,119**	**2,024**	**8,926**	**8,089**	**8,253**
900 Interest:												
901 Interest on the public debt	16,588	19,304	20,959	21,849	24,167	29,319	32,665	37,063	8,102	42,000	44,600	47,300
902 Other interest	−796	−992	−1,350	−1,267	−1,355	−1,247	−1,691	−2,474	−856	−4,013	−4,865	−4,881
Total interest	**15,793**	**18,312**	**19,609**	**20,582**	**22,813**	**28,072**	**30,974**	**34,589**	**7,246**	**37,987**	**39,735**	**42,419**
Allowances:												
Civilian agency pay raises	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	1,151	2,311
Contingencies for:												
Relatively uncontrollable programs	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	0	0
Other requirements	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	1,500	2,000
Total allowances	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	2,651	4,311
950 Undistributed offsetting receipts:												
951 Employer share, employee retirement	−2,018	−2,444	−2,611	−2,768	−2,927	−3,319	−3,980	−4,242	−985	−4,592	−4,670	−5,107
952 Interest received by trust funds	−3,099	−3,936	−4,765	−5,089	−5,436	−6,583	−7,667	−7,800	−270	−8,201	−8,659	−9,700
953 Rents and royalties on the Outer Continental Shelf	−428	−187	−1,051	−279	−3,956	−6,748	−2,428	−2,662	−1,311	−2,600	−3,100	−2,500
Total undistributed offsetting receipts	**−5,545**	**−6,567**	**−8,427**	**−8,137**	**−12,318**	**−16,651**	**−14,075**	**−14,704**	**−2,567**	**−15,393**	**−16,429**	**−17,307**
Total budget outlays [2]	**184,548**	**196,588**	**211,425**	**232,021**	**247,074**	**269,620**	**326,105**	**366,466**	**94,746**	**411,243**	**439,967**	**465,967**

See footnotes at end of table.

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Table 19. **BUDGET OUTLAYS BY FUNCTION, 1969–1979 (in millions of dollars)—Continued**

Function	Actual									Estimate		
	1969	1970	3971	1972	1973	1974	1975	1976	TQ	1977	1978	1979
OUTLAYS OF OFF-BUDGET FEDERAL ENTITIES												
150 International affairs:												
155 International financial programs	-------	-------	-------	-------	------	-------	-------	*—74*	*—15*	*—58*	*—58*	*—58*
Total international affairs	-------	-------	-------	-------	-------	-------	-------	*—74*	*—15*	*—58*	*—58*	*—58*
300 Natural resources, environment, and energy:												
305 Energy	-------	-------	-------	-------	*51*	*484*	*477*	*213*	*—80*	*456*	*650*	*1,450*
Total natural resources, environment, and energy	-------	-------	-------	-------	*51*	*484*	*477*	*213*	*—80*	*456*	*650*	*1,450*
400 Commerce and transportation:												
401 Mortgage credit and thrift insurance	-------	-------	-------	-------	-------	-------	*—13*	*—15*	*—3*	*262*	*738*	*778*
402 Postal Service	-------	-------	-------	-------	-------	*773*	*1,112*	*1,085*	*—726*	*1,006*	*1,815*	*2,526*
404 Ground transportation	-------	-------	-------	-------	-------	-------	*34*	*52*	*11*	*298*	-------	*—103*
Total commerce and transportation	-------	-------	-------	-------	-------	*773*	*1,133*	*1,123*	*—718*	*1,566*	*2,553*	*3,201*
450 Community and regional development:												
452 Area and regional development	-------	-------	-------	-------	*9*	*88*	*110*	*93*	*17*	*95*	*92*	*89*
Total community and regional development	-------	-------	-------	-------	*9*	*88*	*110*	*93*	*17*	*95*	*92*	*89*

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600 Income security:												
601 General retirement and disability insurance	-------	-------	-------	-------	-------	-------	*−34*	*−22*	*−**	*−14*	*−16*	*−16*
Total income security	-------	-------	-------	-------	-------	-------	*−34*	*−22*	*−**	*−14*	*−16*	*−16*
800 General government:												
807 Federal Financing Bank	-------	-------	-------	-------	-------	*102*	*6,355*	*5,863*	*2,564*	*8,741*	*5,936*	*6,233*
Total general government	-------	-------	-------	-------	-------	*102*	*6,355*	*5,863*	*2,564*	*8,741*	*5,936*	*6,233*
Outlays off-budget Federal entities	-------	-------	-------	-------	*60*	*1,447*	*8,041*	*7,196*	*1,767*	*10,785*	*9,156*	*10,899*
Outlays including off-budget Federal entities	*184,548*	*196,588*	*211,425*	*232,021*	*247,134*	*271,067*	*334,146*	*373,662*	*96,513*	*422,028*	*449,124*	*476,866*

* Less than $500 thousand.
NA = Not available.
[1] Includes allowances for civilian and military pay raises for Department of Defense.
[2] Consists of:

	Actual									Estimate		
	1969	1970	1971	1972	1973	1974	1975	1976	TQ	1977	1978	1979
Federal funds	148,811	156,301	163,651	178,104	186,951	199,920	240,031	269,969	65,106	303,136	319,335	NA
Trust funds	43,284	49,065	59,361	67,073	81,447	90,833	111,171	131,286	34,023	145,026	157,057	NA
Interfund transactions	−7,547	−8,778	−11,586	−13,156	−21,325	−21,133	−25,098	−34,789	−4,383	−36,918	−36,425	NA

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Table 20. **Federal transactions in the National Income Accounts, 1967–1978 (in billions of dollars)**

Description	Actual										Estimate	
	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978
RECEIPTS, NATIONAL INCOME BASIS												
Personal taxes and nontaxes	64.4	71.4	90.0	93.6	87.5	100.3	107.3	122.6	127.3	137.2	158.6	177.5
Corporate profits tax accruals	30.3	33.2	37.0	33.0	32.0	34.2	41.0	43.8	41.6	51.0	60.6	65.5
Indirect business tax and nontax accruals	15.8	17.1	18.6	19.2	20.0	19.9	20.7	21.4	22.1	24.5	24.6	26.1
Contributions for social insurance	35.5	38.4	44.5	49.2	52.9	59.1	71.5	84.1	92.2	100.9	116 9	136.6
Total receipts, national income basis	**146.0**	**160.0**	**190.1**	**194.9**	**192.5**	**213.5**	**240.4**	**271.9**	**283.2**	**313.6**	**360.7**	**405.7**
EXPENDITURES, NATIONAL INCOME BASIS												
Purchases of goods and services	86.0	95.0	98.0	97.0	94.8	100.9	101.7	104.8	119.0	127.2	144.8	160.0
Defense	(67.0)	(74.9)	(76.1)	(75.3)	(72.1)	(72.5)	(73.3)	(74.2)	(81.0)	(85.8)	(94.8)	(105.4)
Nondefense	(19.0)	(20.1)	(21.9)	(21.7)	(22.7)	(28.4)	(28.4)	(30.6)	(38.0)	(41.4)	(50.0)	(54.6)
Transfer payments	39.3	44.8	50.9	57.0	70.1	78.9	89.7	104.7	134.1	156.7	171.0	179.4
Domestic ("to persons")	(37.2)	(42.7)	(48.7)	(55.0)	(67.7)	(76.1)	(87.1)	(101.7)	(131.0)	(156.6)	(167.7)	(175.9)
Foreign	(2.2)	(2.1)	(2.2)	(2.0)	(2.3)	(2.8)	(2.7)	(3.0)	(3.1)	(3.1)	(3.3)	(3.5)
Grants-in-aid to State and local governments	14.8	17.8	19.2	22.6	26.8	32.6	40.4	41.6	48.3	57.5	68.0	69.6
Net interest paid	9.6	10.5	12.1	13.6	14.2	14.1	15.9	19.8	21.9	25.8	28.8	30.0
Subsidies less current surplus of Government enterprises	5.2	4.1	4.6	5.4	6.8	6.4	9.1	7.9	5.7	5.8	7.3	8.1
Wage disbursements less accruals	-------	-------	-------	−.1	.1	-------	−.5	.2	.4	------	--------	--------
Total expenditures, national income basis	**154.9**	**172.2**	**184.7**	**195.6**	**212.7**	**232.9**	**256.2**	**278.9**	**329.5**	**373.0**	**419.9**	**447.1**
Excess of receipts (+) or expenditures (−), national income basis	**−8.9**	**−12.2**	**+5.4**	**−.6**	**−20.2**	**−19.5**	**−15.7**	**−7.1**	**−46.3**	**−59.4**	**−59.2**	**−41.4**

Note.—Excludes the transition quarter. Data on the transition quarter are shown in table A–1, Special Analysis A.

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Table 21. **FEDERAL FINANCES AND THE GROSS NATIONAL PRODUCT, 1954–1979** (dollar amounts in billions)

Fiscal year	Gross nation product	Budget receipts		Outlays [1]						Federal debt, end of year			
		Amount	Percent of GNP	Unified budget		Off-budget Federal entities		Total		Total		Held by the public	
				Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP	Amount	Percent of GNP
1954	363.6	69.7	19.2	70.9	19.4	.....	.....	70.9	19.4	270.8	74.5	224.5	61.7
1955	380.0	65.5	17.2	68.5	18.0	.....	.....	68.5	18.0	274.4	72.2	226.6	59.6
1956	411.0	74.5	18.1	70.5	17.1	.....	.....	70.5	17.1	272.8	66.4	222.2	54.1
1957	432.7	80.0	18.5	76.7	17.7	.....	.....	76.7	17.7	272.4	63.0	219.4	50.7
1958	442.1	79.6	18.0	82.6	18.7	.....	.....	82.6	18.7	279.7	63.3	226.4	51.2
1959	473.3	79.2	16.7	92.1	19.5	.....	.....	92.1	19.5	287.8	60.8	235.0	49.7
1960	497.3	92.5	18.6	92.2	18.5	.....	.....	92.2	18.5	290.9	58.5	237.2	47.7
1961	508.3	94.4	18.6	97.8	19.2	.....	.....	97.8	19.2	292.9	57.6	238.6	46.9
1962	546.9	99.7	18.2	106.8	19.5	.....	.....	106.8	19.5	303.3	55.5	248.4	45.4
1963	576.3	106.6	18.5	111.3	19.3	.....	.....	111.3	19.3	310.8	53.9	254.5	44.2
1964	616.2	112.7	18.3	118.6	19.2	.....	.....	118.6	19.2	316.8	51.4	257.6	41.8
1965	657.1	116.8	17.8	118.4	18.0	.....	.....	118.4	18.0	323.2	49.2	261.6	39.8
1966	721.1	130.9	18.1	134.7	18.7	.....	.....	134.7	18.7	329.5	45.7	264.7	36.7
1967	774.4	149.6	19.3	158.3	20.4	.....	.....	158.3	20.4	341.3	44.1	267.5	34.5
1968	829.9	153.7	18.5	178.8	21.5	.....	.....	178.8	21.5	369.8	44.6	290.6	35.0
1969	903.7	187.8	20.8	184.5	20.4	.....	.....	184.5	20.4	367.1	40.6	279.5	30.9
1970	959.0	193.7	20.2	196.6	20.5	.....	.....	196.6	20.5	382.6	39.9	284.9	29.7
1971	1,019.3	188.4	18.5	211.4	20.7	.....	.....	211.4	20.7	409.5	40.2	304.3	29.9
1972	1,110.5	208.6	18.8	232.0	20.9	.....	.....	232.0	20.9	437.3	39.4	323.8	29.2
1973	1,237.5	232.2	18.8	247.1	19.9	.1	*	247.1	20.0	468.4	37.9	343.0	27.7
1974	1,360.9	264.9	19.5	269.6	19.8	1.4	.1	271.1	19.9	486.2	35.7	346.1	25.4
1975	1,450.6	281.0	19.8	326.1	22.4	8.0	.6	334.1	23.0	544.1	37.5	396.9	27.4
1976	1,609.5	300.0	18.6	366.5	22.8	7.2	.4	373.7	23.2	631.9	39.3	480.3	29.8
1977 estimate	1,827.6	354.0	18.3	411.2	22.5	10.8	.7	422.0	23.1	716.7	39.2	560.3	30.7
1978 estimate	2,038.4	393.0	19.3	440.0	21.6	9.2	.6	449.1	22.0	785.0	38.5	615.8	30.2
1979 estimate	2,268.3	454.4	20.0	466.0	20.5	10.9	.7	476.9	21.0	NA	NA	NA	NA

*0.05% or less.
Note.—Exchange stabilization fund included from 1976.
NA=Not available.

[1] The 1972–76 data have been revised to include the Export-Import Bank in the unified budget instead of with the off-budget Federal entities.

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Table 22. COMPOSITION OF BUDGET OUTLAYS IN CURRENT AND CONSTANT (FISCAL YEAR 1972) PRICES: 1955–1979

(In billions of dollars)

Fiscal year	Current prices						Constant (fiscal year 1972) prices					
			Nondefense						Nondefense			
	Total outlays	National defense	Total non-defense	Payments for individuals	Net interest	All other	Total outlays	National defense	Total non-defense	Payments for individuals	Net interest	All other
1955	68.5	39.9	28.6	13.0	4.8	10.8	134.3	75.9	58.5	19.9	17.7	20.9
1956	70.5	39.8	30.7	13.8	5.1	11.8	133.0	73.0	60.0	21.2	16.9	22.0
1957	76.7	42.3	34.5	15.6	5.4	13.5	137.2	74.0	63.2	23.2	16.1	23.9
1958	82.6	43.8	38.8	19.4	5.6	13.7	141.9	74.1	67.7	28.0	16.2	23.6
1959	92.1	45.9	46.2	21.2	5.8	19.2	153.9	75.3	78.7	30.1	16.5	32.1
1960	92.2	45.2	47.0	22.9	6.9	17.2	150.8	73.9	76.9	32.1	16.3	28.5
1961	97.8	46.6	51.2	25.9	6.7	18.6	157.1	74.8	82.3	35.8	16.2	30.3
1962	106.8	50.4	56.4	27.1	6.9	22.4	168.7	79.3	89.4	37.1	16.7	35.7
1963	111.3	51.5	59.8	28.7	7.7	23.4	170.7	79.0	91.7	38.7	16.8	36.2
1964	118.6	52.7	65.8	29.7	8.2	27.9	177.4	78.8	98.6	39.7	16.8	42.2
1965	118.4	48.6	69.8	30.4	8.6	30.8	173.3	71.0	102.3	40.1	16.7	45.5
1966	134.7	55.9	78.8	34.3	9.4	35.1	187.9	77.7	110.2	44.2	16.5	49.6
1967	158.3	69.1	89.2	40.1	10.3	38.8	212.1	93.2	118.9	50.1	16.1	52.7
1968	178.8	79.4	99.4	45.9	11.1	42.4	229.5	102.2	127.3	55.6	16.9	54.8
1969	184.5	80.2	104.3	52.8	12.7	38.9	223.1	98.8	124.3	60.9	15.5	47.8
1970	196.6	79.3	117.3	59.8	14.4	43.1	220.8	91.1	129.7	65.1	15.0	49.6
1971	211.4	76.8	134.6	74.5	14.8	45.2	223.0	82.3	140.8	77.2	15.2	48.3
1972	232.0	77.4	154.7	85.3	15.5	53.9	232.0	77.4	154.7	85.3	15.5	53.9
1973	247.1	75.1	172.0	95.9	17.4	58.7	233.2	70.5	162.7	92.2	15.4	55.1
1974	269.6	78.6	191.1	111.1	21.5	58.5	231.4	68.3	163.1	98.0	14.3	50.7
1975	326.1	86.6	239.5	142.6	23.3	73.6	251.9	67.0	184.8	113.3	14.6	57.0
1976	366.5	90.0	276.5	167.3	26.8	82.3	264.4	64.6	199.8	124.1	16.4	59.3
TQ	94.7	22.5	72.2	42.7	7.0	22.5	66.1	15.7	50.4	30.7	4.1	15.6
1977 estimate	411.2	100.1	311.2	183.7	29.8	97.7	278.0	67.0	211.0	128.0	17.7	65.3
1978 estimate	440.0	112.3	327.7	193.6	31.1	103.0	281.0	70.2	210.8	128.1	18.3	64.5
1979 estimate	466.0	123.8	342.2	206.2	32.7	103.3	281.0	72.5	208.5	129.7	18.1	60.6

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Table 23. **BUDGET RECEIPTS AND OUTLAYS, 1789–1979 (in millions of dollars)**

Fiscal year	Receipts	Outlays	Surplus or deficit (−)
1789–1849	1,160	1,090	+70
1850–1900	14,462	15,453	−991
1901–1905	2,797	2,678	+119
1906–1910	3,143	3,196	−52
1911	702	691	+11
1912	693	690	+3
1913	714	715	−*
1914	725	726	−*
1915	683	746	−63
1916	761	713	+48
1917	1,101	1,954	−853
1918	3,645	12,677	−9,032
1919	5,130	18,493	−13,363
1920	6,649	6,358	+291
1921	5,571	5,062	+509
1922	4,026	3,289	+736
1923	3,853	3,140	+713
1924	3,871	2,908	+963
1925	3,641	2,924	+717
1926	3,795	2,930	+865
1927	4,013	2,857	+1,155
1928	3,900	2,961	+939
1929	3,862	3,127	+734
1930	4,058	3,320	+738
1931	3,116	3,577	−462
1932	1,924	4,659	−2,735
1933	1,997	4,598	−2,602
1934	3,015	6,645	−3,630
1935	3,706	6,497	−2,791
1936	3,997	8,422	−4,425
1937	4,956	7,733	−2,777
1938	5,588	6,765	−1,177
1939	4,979	8,841	−3,862
1940	6,361	9,456	−3,095
1941	8,621	13,634	−5,013
1942	14,350	35,114	−20,764
1943	23,649	78,533	−54,884
1944	44,276	91,280	−47,004
1945	45,216	92,690	−47,474
1946	39,327	55,183	−15,856
1947	38,394	34,532	+3,862
1948	41,774	29,773	+12,001
1949	39,437	38,834	+603
1950	39,485	42,597	−3,112
1951	51,646	45,546	+6,100
1952	66,204	67,721	−1,517
1953	69,574	76,107	−6,533
1954	69,719	70,890	−1,170
1955	65,469	68,509	−3,041
1956	74,547	70,460	+4,087
1957	79,990	76,741	+3,249
1958	79,636	82,575	−2,939
1959	79,249	92,104	−12,855
1960	92,492	92,223	+269
1961	94,389	97,795	−3,406
1962	99,676	106,813	−7,137
1963	106,560	111,311	−4,751
1964	112,662	118,584	−5,922
1965	116,833	118,430	−1,596
1966	130,856	134,652	−3,796
1967	149,552	158,254	−8,702
1968	153,671	178,833	−25,161
1969	187,784	184,548	+3,236
1970	193,743	196,588	−2,845
1971	188,392	211,425	−23,033
1972	208,649	232,021	−23,372
1973	232,225	247,074	−14,849
1974	264,932	269,620	−4,668
1975	280,997	326,105	−45,108
1976	300,005	366,466	−66,461
TQ	81,773	94,746	−12,973
1977 est	354,045	411,243	−57,198
1978 est	393,017	439,967	−46,950
1979 est	454,360	465,967	−11,607

Totals, including outlays of off-budget Federal entities

Fiscal year	Outlays of off-budget Federal entities	Total outlays	Total deficit
1973	60	247,134	−14,909
1974	1,447	271,067	−6,135
1975	8,041	334,146	−53,149
1976	7,196	373,662	−73,657
TQ	1,767	96,513	−14,740
1977 est	10,785	422,028	−67,983
1978 est	9,156	449,124	−56,107
1979 est	10,899	476,866	−22,506

* $500 thousand or less.

Notes.—Certain interfund transactions are excluded from receipts and outlays starting in 1932. For years prior to 1932 the amounts of such transactions are not significant.

Refunds of receipts are excluded from receipts and outlays starting in 1913; comparable data are not available for prior years.

Data for 1789–1939 are for the administrative budget: 1940–1979 are for the unified budget.

In calendar year 1976, the Federal fiscal year was converted from a July 1–June 30 basis to an Oct. 1–Sept. 30 basis. The TQ refers to the transition quarter from July 1 to Sept. 30, 1976.

Off-budget Federal entity outlays begin in 1973.

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