

# DEPARTMENT OF AGRICULTURE

## OFFICE OF THE SECRETARY

### Federal Funds

#### PRODUCTION, PROCESSING AND MARKETING

##### OFFICE OF THE SECRETARY

For necessary expenses of the Office of the Secretary of Agriculture, **[\$4,550,000]** *\$5,051,000: Provided*, That not to exceed \$11,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

##### OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS

For necessary expenses of the Office of the Assistant Secretary for Civil Rights, **[\$848,000]** *\$893,000*.

##### OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary expenses of the Office of the Assistant Secretary for Administration, **[\$764,000]** *\$804,000*.

##### OFFICE OF TRIBAL RELATIONS

For necessary expenses of the Office of Tribal Relations, **[\$448,000]** *\$498,000*, to support communication and consultation activities with Federally Recognized Tribes, as well as other requirements established by law.

##### OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

###### (INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded by this Act, including programs involving intergovernmental affairs and liaison within the executive branch, **[\$3,576,000]** *\$3,869,000: Provided*, That these funds may be transferred to agencies of the Department of Agriculture funded by this Act to maintain personnel at the agency level: *Provided further*, That no funds made available by this appropriation may be obligated after 30 days from the date of enactment of this Act, unless the Secretary has notified the Committees on Appropriations of both Houses of Congress on the allocation of these funds by USDA agency: *Provided further*, That no other funds appropriated to the Department by this Act shall be available to the Department for support of activities of congressional relations].

##### OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

For necessary expenses of the Office of the Under Secretary for Research, Education and Economics, **[\$848,000]** *\$893,000*.

##### OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

For necessary expenses of the Office of the Under Secretary for Marketing and Regulatory Programs, **[\$848,000]** *\$893,000*.

##### OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

For necessary expenses of the Office of the Under Secretary for Food Safety, **[\$770,000]** *\$811,000*.

##### OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

For necessary expenses of the Office of the Under Secretary for Farm and Foreign Agricultural Services, **[\$848,000]** *\$893,000*.

##### OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary expenses of the Office of the Under Secretary for Natural Resources and Environment, **[\$848,000]** *\$893,000*.

##### OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

For necessary expenses of the Office of the Under Secretary for Rural Development, **[\$848,000]** *\$893,000*.

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

For necessary expenses of the Office of the Under Secretary for Food, Nutrition and Consumer Services, **[\$770,000]** *\$811,000*. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

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

| Identification code 12-9913-0-1-352                                 | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                             |             |           |           |
| 0001 Office of the Secretary .....                                  | 4           | 4         | 4         |
| 0002 Under/Assistant Secretaries .....                              | 12          | 11        | 12        |
| 0003 Trade negotiations and biotechnology resources .....           | 1           | 1         | 1         |
| 0799 Total direct obligations .....                                 | 17          | 16        | 17        |
| 0802 Reimbursable program .....                                     | 6           | 10        | 10        |
| 0900 Total new obligations .....                                    | 23          | 26        | 27        |
| <b>Budgetary Resources:</b>                                         |             |           |           |
| Unobligated balance:                                                |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....               | 1           | 1         | 2         |
| 1021 Recoveries of prior year unpaid obligations .....              | .....       | 1         | 1         |
| 1050 Unobligated balance (total) .....                              | 1           | 2         | 3         |
| Budget authority:                                                   |             |           |           |
| Appropriations, discretionary:                                      |             |           |           |
| 1100 Appropriation .....                                            | 15          | 16        | 17        |
| 1160 Appropriation, discretionary (total) .....                     | 15          | 16        | 17        |
| Spending authority from offsetting collections, discretionary:      |             |           |           |
| 1700 Collected .....                                                | 2           | 5         | 5         |
| 1701 Change in uncollected payments, Federal sources .....          | 7           | 5         | 5         |
| 1750 Spending auth from offsetting collections, disc (total) .....  | 9           | 10        | 10        |
| 1900 Budget authority (total) .....                                 | 24          | 26        | 27        |
| 1930 Total budgetary resources available .....                      | 25          | 28        | 30        |
| Memorandum (non-add) entries:                                       |             |           |           |
| 1940 Unobligated balance expiring .....                             | -1          | .....     | .....     |
| 1941 Unexpired unobligated balance, end of year .....               | 1           | 2         | 3         |
| <b>Change in obligated balance:</b>                                 |             |           |           |
| Obligated balance, start of year (net):                             |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....       | 9           | 8         | 7         |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....   | -14         | -19       | -24       |
| 3020 Obligated balance, start of year (net) .....                   | -5          | -11       | -17       |
| 3030 Obligations incurred, unexpired accounts .....                 | 23          | 26        | 27        |
| 3031 Obligations incurred, expired accounts .....                   | 1           | .....     | .....     |
| 3040 Outlays (gross) .....                                          | -25         | -26       | -29       |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....      | -7          | -5        | -5        |
| 3051 Change in uncollected pymts, Fed sources, expired .....        | 2           | .....     | .....     |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....   | .....       | -1        | -1        |
| Obligated balance, end of year (net):                               |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                  | 8           | 7         | 4         |
| 3091 Uncollected pymts, Fed sources, end of year .....              | -19         | -24       | -29       |
| 3100 Obligated balance, end of year (net) .....                     | -11         | -17       | -25       |
| <b>Budget authority and outlays, net:</b>                           |             |           |           |
| Discretionary:                                                      |             |           |           |
| 4000 Budget authority, gross .....                                  | 24          | 26        | 27        |
| Outlays, gross:                                                     |             |           |           |
| 4010 Outlays from new discretionary authority .....                 | 19          | 23        | 24        |
| 4011 Outlays from discretionary balances .....                      | 6           | 3         | 5         |
| 4020 Outlays, gross (total) .....                                   | 25          | 26        | 29        |
| Offsets against gross budget authority and outlays:                 |             |           |           |
| Offsetting collections (collected) from:                            |             |           |           |
| 4030 Federal sources .....                                          | -5          | -5        | -5        |
| Additional offsets against gross budget authority only:             |             |           |           |
| 4050 Change in uncollected pymts, Fed sources, unexpired .....      | -7          | -5        | -5        |
| 4052 Offsetting collections credited to expired accounts .....      | 3           | .....     | .....     |
| 4060 Additional offsets against budget authority only (total) ..... | -4          | -5        | -5        |
| 4070 Budget authority, net (discretionary) .....                    | 15          | 16        | 17        |
| 4080 Outlays, net (discretionary) .....                             | 20          | 21        | 24        |
| 4180 Budget authority, net (total) .....                            | 15          | 16        | 17        |
| 4190 Outlays, net (total) .....                                     | 20          | 21        | 24        |

The Office of the Secretary is responsible for the overall planning, coordination and administration of the Department's programs. This includes the Secretary, Deputy Secretary, Under Secretaries, Assistant Secretaries, and their immediate staffs, who provide top policy guidance for the Department; maintain relationships with agricultural organizations and others in the

OFFICE OF THE SECRETARY—Continued

development of farm programs; and provide liaison with the Executive Office of the President and Members of Congress on all matters pertaining to agricultural policy.

Funds are proposed for the Office of the Secretary's account for (1) negotiating and monitoring trade agreements; and (2) for technical trade support in the areas of biotechnology, sanitary and phyto-sanitary issues. The 2013 Budget requests \$17 million, a slight increase above the 2012 enacted level.

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

| Identification code 12-9913-0-1-352                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                             |             |           |           |
| 11.1 Personnel compensation: Full-time permanent .....          | 11          | 9         | 10        |
| 12.1 Civilian personnel benefits .....                          | 3           | 2         | 3         |
| 21.0 Travel and transportation of persons .....                 | 1           | 1         | 1         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....              | 1           | 3         | 2         |
| 99.0 Direct obligations .....                                   | 17          | 16        | 17        |
| 99.0 Reimbursable obligations .....                             | 6           | 10        | 10        |
| 99.9 Total new obligations .....                                | 23          | 26        | 27        |

**Employment Summary**

| Identification code 12-9913-0-1-352                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 80          | 62        | 66        |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 38          | 64        | 58        |

**Trust Funds**

GIFTS AND BEQUESTS

**Special and Trust Fund Receipts** (in millions of dollars)

| Identification code 12-8203-0-7-352                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year .....                          |             |           | 1         |
| Receipts:                                                  |             |           |           |
| 0220 Gifts and Bequests, Departmental Administration ..... |             | 1         | 1         |
| 0400 Total: Balances and collections .....                 |             | 1         | 2         |
| 0799 Balance, end of year .....                            |             | 1         | 2         |

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

| Identification code 12-8203-0-7-352                           | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                       |             |           |           |
| 0001 Gifts and bequests .....                                 |             | 1         | 1         |
| 0900 Total new obligations (object class 99.5) .....          |             | 1         | 1         |
| <b>Budgetary Resources:</b>                                   |             |           |           |
| Unobligated balance:                                          |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....         | 3           | 3         | 2         |
| 1930 Total budgetary resources available .....                | 3           | 3         | 2         |
| Memorandum (non-add) entries:                                 |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....         | 3           | 2         | 1         |
| <b>Change in obligated balance:</b>                           |             |           |           |
| Obligated balance, start of year (net):                       |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) ..... |             |           | 1         |
| 3030 Obligations incurred, unexpired accounts .....           |             | 1         | 1         |
| Obligated balance, end of year (net):                         |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....            |             | 1         | 2         |
| 3100 Obligated balance, end of year (net) .....               |             | 1         | 2         |

The Secretary is authorized to accept and administer gifts and bequests of real and personal property to facilitate the work of

the Department. Property and the proceeds thereof are used in accordance with the terms of the gift or bequest (7 U.S.C. 2269).

**EXECUTIVE OPERATIONS**

*Federal Funds*

COMMON COMPUTING ENVIRONMENT

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

| Identification code 12-0113-0-1-352                                  | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Budgetary Resources:</b>                                          |             |           |           |
| Unobligated balance:                                                 |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                | 4           | 1         | 1         |
| Budget authority:                                                    |             |           |           |
| Appropriations, discretionary:                                       |             |           |           |
| 1131 Unobligated balance of appropriations permanently reduced ..... | -3          |           |           |
| 1160 Appropriation, discretionary (total) .....                      | -3          |           |           |
| 1900 Budget authority (total) .....                                  | -3          |           |           |
| 1930 Total budgetary resources available .....                       | 1           | 1         | 1         |
| Memorandum (non-add) entries:                                        |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                | 1           | 1         | 1         |
| <b>Change in obligated balance:</b>                                  |             |           |           |
| Obligated balance, start of year (net):                              |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....        | 5           |           |           |
| 3040 Outlays (gross) .....                                           | -5          |           |           |
| <b>Budget authority and outlays, net:</b>                            |             |           |           |
| Discretionary:                                                       |             |           |           |
| 4000 Budget authority, gross .....                                   | -3          |           |           |
| Outlays, gross:                                                      |             |           |           |
| 4011 Outlays from discretionary balances .....                       | 5           |           |           |
| 4180 Budget authority, net (total) .....                             | -3          |           |           |
| 4190 Outlays, net (total) .....                                      | 5           |           |           |

The Common Computing Environment provides the shared information technology platform for the three Service Center Agencies (the Farm Service Agency, the Natural Resources Conservation Service, and the Rural Development agencies).

WORKING CAPITAL FUND

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

| Identification code 12-4609-0-4-352                            | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                        |             |           |           |
| 0801 Administration .....                                      | 46          | 41        | 42        |
| 0802 Communications .....                                      | 5           | 4         | 4         |
| 0803 Finance and management .....                              | 324         | 310       | 316       |
| 0804 Information technology .....                              | 438         | 427       | 438       |
| 0805 Executive secretariat .....                               | 3           | 4         | 4         |
| 0809 Reimbursable program activities, subtotal .....           | 816         | 786       | 804       |
| 0812 Finance and management .....                              | 24          | 23        | 16        |
| 0813 Information technology .....                              | 12          | 10        | 10        |
| 0819 Reimbursable program activities, subtotal .....           | 36          | 33        | 26        |
| 0900 Total new obligations .....                               | 852         | 819       | 830       |
| <b>Budgetary Resources:</b>                                    |             |           |           |
| Unobligated balance:                                           |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....          | 82          | 116       | 67        |
| 1021 Recoveries of prior year unpaid obligations .....         | 21          |           |           |
| 1050 Unobligated balance (total) .....                         | 103         | 116       | 67        |
| Budget authority:                                              |             |           |           |
| Appropriations, discretionary:                                 |             |           |           |
| 1121 Transferred from other accounts [12-2081] .....           | 1           |           |           |
| 1121 Transferred from other accounts OBPA [12-9915] .....      | 1           |           |           |
| 1160 Appropriation, discretionary (total) .....                | 2           |           |           |
| Spending authority from offsetting collections, discretionary: |             |           |           |
| 1700 Collected .....                                           | 809         | 770       | 780       |
| 1701 Change in uncollected payments, Federal sources .....     | 54          |           |           |

|                                         |                                                               |      |      |      |
|-----------------------------------------|---------------------------------------------------------------|------|------|------|
| 1750                                    | Spending auth from offsetting collections, disc (total) ..... | 863  | 770  | 780  |
| 1900                                    | Budget authority (total) .....                                | 865  | 770  | 780  |
| 1930                                    | Total budgetary resources available .....                     | 968  | 886  | 847  |
| Memorandum (non-add) entries:           |                                                               |      |      |      |
| 1941                                    | Unexpired unobligated balance, end of year .....              | 116  | 67   | 17   |
| <b>Change in obligated balance:</b>     |                                                               |      |      |      |
| Obligated balance, start of year (net): |                                                               |      |      |      |
| 3000                                    | Unpaid obligations, brought forward, Oct 1 (gross) .....      | 263  | 242  | 165  |
| 3010                                    | Uncollected pymts, Fed sources, brought forward, Oct 1 .....  | -215 | -269 | -269 |
| 3020                                    | Obligated balance, start of year (net) .....                  | 48   | -27  | -104 |
| 3030                                    | Obligations incurred, unexpired accounts .....                | 852  | 819  | 830  |
| 3040                                    | Outlays (gross) .....                                         | -852 | -896 | -779 |
| 3050                                    | Change in uncollected pymts, Fed sources, unexpired .....     | -54  |      |      |
| 3080                                    | Recoveries of prior year unpaid obligations, unexpired .....  | -21  |      |      |
| Obligated balance, end of year (net):   |                                                               |      |      |      |
| 3090                                    | Unpaid obligations, end of year (gross) .....                 | 242  | 165  | 216  |
| 3091                                    | Uncollected pymts, Fed sources, end of year .....             | -269 | -269 | -269 |
| 3100                                    | Obligated balance, end of year (net) .....                    | -27  | -104 | -53  |

|                                                         |                                                                 |      |      |      |
|---------------------------------------------------------|-----------------------------------------------------------------|------|------|------|
| <b>Budget authority and outlays, net:</b>               |                                                                 |      |      |      |
| Discretionary:                                          |                                                                 |      |      |      |
| 4000                                                    | Budget authority, gross .....                                   | 865  | 770  | 780  |
| Outlays, gross:                                         |                                                                 |      |      |      |
| 4010                                                    | Outlays from new discretionary authority .....                  | 614  | 666  | 675  |
| 4011                                                    | Outlays from discretionary balances .....                       | 238  | 230  | 104  |
| 4020                                                    | Outlays, gross (total) .....                                    | 852  | 896  | 779  |
| Offsets against gross budget authority and outlays:     |                                                                 |      |      |      |
| Offsetting collections (collected) from:                |                                                                 |      |      |      |
| 4030                                                    | Federal sources .....                                           | -797 | -770 | -780 |
| 4033                                                    | Non-Federal sources .....                                       | -12  |      |      |
| 4040                                                    | Offsets against gross budget authority and outlays (total) .... | -809 | -770 | -780 |
| Additional offsets against gross budget authority only: |                                                                 |      |      |      |
| 4050                                                    | Change in uncollected pymts, Fed sources, unexpired .....       | -54  |      |      |
| 4070                                                    | Budget authority, net (discretionary) .....                     | 2    |      |      |
| 4080                                                    | Outlays, net (discretionary) .....                              | 43   | 126  | -1   |
| 4180                                                    | Budget authority, net (total) .....                             | 2    |      |      |
| 4190                                                    | Outlays, net (total) .....                                      | 43   | 126  | -1   |

This fund finances, by advances or reimbursements, certain central services in the Department of Agriculture, including duplicating and other visual information services; broadcast media services; supply services; centralized financial management systems; centralized automated data processing systems for payroll, personnel, and related services; voucher payments services; telecommunications services; and information technology systems.

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

|                                     |                                                                        |             |           |           |
|-------------------------------------|------------------------------------------------------------------------|-------------|-----------|-----------|
| Identification code 12-4609-0-4-352 |                                                                        |             |           |           |
|                                     |                                                                        | 2011 actual | 2012 est. | 2013 est. |
| Reimbursable obligations:           |                                                                        |             |           |           |
| Personnel compensation:             |                                                                        |             |           |           |
| 11.1                                | Full-time permanent - OCFO .....                                       | 88          | 93        | 104       |
| 11.1                                | Full-time permanent - OCIO .....                                       | 82          | 89        | 89        |
| 11.1                                | Full-time permanent - DA OES OC .....                                  | 14          | 12        | 13        |
| 11.5                                | Other personnel compensation - OCFO .....                              | 6           | 6         | 6         |
| 11.5                                | Other personnel compensation - OCIO .....                              | 3           | 3         | 3         |
| 11.5                                | Other personnel compensation - DA OES OC .....                         | 1           | 1         | 1         |
| 11.9                                | Total personnel compensation .....                                     | 194         | 204       | 216       |
| 12.1                                | Civilian personnel benefits CFO .....                                  | 28          | 32        | 34        |
| 12.1                                | Civilian personnel benefits IT .....                                   | 23          | 26        | 26        |
| 12.1                                | Civilian personnel benefits - DA OES OC .....                          | 4           | 5         | 5         |
| 21.0                                | Travel and transportation of persons OCFO .....                        | 1           | 2         | 2         |
| 21.0                                | Travel and transportation of persons - OCIO .....                      | 3           | 4         | 4         |
| 22.0                                | Transportation of things - DA OES OC .....                             | 1           | 1         | 1         |
| 23.1                                | Rental payments to GSA - OCFO .....                                    | 9           | 1         | 1         |
| 23.1                                | Rental payments to GSA - OCIO .....                                    | 4           | 6         | 6         |
| 23.1                                | Rental payments to GSA - DA OES OC .....                               | 1           | 1         | 1         |
| 23.2                                | Rental payments to others - OCFO .....                                 | 9           | 5         | 5         |
| 23.2                                | Rental payments to others - OCIO .....                                 | 17          |           |           |
| 23.3                                | Communications, utilities, and miscellaneous charges - OCFO .....      | 5           | 70        | 72        |
| 23.3                                | Communications, utilities, and miscellaneous charges - OCIO .....      | 68          | 6         | 6         |
| 23.3                                | Communications, utilities, and miscellaneous charges - DA OES OC ..... | 3           | 2         | 3         |
| 24.0                                | Printing and reproduction .....                                        | 1           |           |           |
| 25.2                                | Other services from non-Federal sources .....                          |             | 6         | 6         |
| 25.3                                | Other goods and services from Federal sources - OCFO .....             | 146         | 132       | 123       |

|      |                                                                 |     |     |     |
|------|-----------------------------------------------------------------|-----|-----|-----|
| 25.3 | Other goods and services from Federal sources - OCIO .....      | 155 | 173 | 182 |
| 25.3 | Other goods and services from Federal sources - DA OES OC ..... | 23  | 22  | 21  |
| 25.4 | Operation and maintenance of facilities .....                   | 2   | 2   | 2   |
| 25.7 | Operation and maintenance of equipment - OCFO .....             | 21  | 24  | 25  |
| 25.7 | Operation and maintenance of equipment - OCIO .....             | 41  | 45  | 47  |
| 25.7 | Operation and maintenance of equipment - DA OES OC .....        | 1   | 2   | 2   |
| 26.0 | Supplies and materials - OCFO .....                             | 2   | 1   | 2   |
| 26.0 | Supplies and materials - OCIO .....                             | 6   | 3   | 3   |
| 26.0 | Supplies and materials - DA OES OC .....                        | 5   | 3   | 3   |
| 31.0 | Equipment - OCFO .....                                          | 31  | 27  | 19  |
| 31.0 | Equipment - OCIO .....                                          | 48  | 14  | 13  |
| 99.9 | Total new obligations .....                                     | 852 | 819 | 830 |

**Employment Summary**

|                                     |                                                             |             |           |           |
|-------------------------------------|-------------------------------------------------------------|-------------|-----------|-----------|
| Identification code 12-4609-0-4-352 |                                                             |             |           |           |
|                                     |                                                             | 2011 actual | 2012 est. | 2013 est. |
| 2001                                | Reimbursable civilian full-time equivalent employment ..... | 2,362       | 2,617     | 2,736     |

**OFFICE OF CHIEF ECONOMIST**

*Federal Funds*

EXECUTIVE OPERATIONS

OFFICE OF THE CHIEF ECONOMIST

For necessary expenses of the Office of the Chief Economist, **[\$11,177,000] \$12,008,000.** (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)

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

|                                         |                                                                        |             |           |           |
|-----------------------------------------|------------------------------------------------------------------------|-------------|-----------|-----------|
| Identification code 12-0123-0-1-352     |                                                                        |             |           |           |
|                                         |                                                                        | 2011 actual | 2012 est. | 2013 est. |
| <b>Obligations by program activity:</b> |                                                                        |             |           |           |
| 0001                                    | Direct program activity .....                                          | 12          | 11        | 12        |
| 0801                                    | Reimbursable program activity - other .....                            | 1           | 1         | 1         |
| 0802                                    | Reimbursable program activity (Biodiesel Fuel Education Program) ..... |             | 1         |           |
| 0899                                    | Total reimbursable obligations .....                                   | 1           | 2         | 1         |
| 0900                                    | Total new obligations .....                                            | 13          | 13        | 13        |

**Budgetary Resources:**

|                                                                |                                                               |    |    |    |
|----------------------------------------------------------------|---------------------------------------------------------------|----|----|----|
| Unobligated balance:                                           |                                                               |    |    |    |
| 1000                                                           | Unobligated balance brought forward, Oct 1 .....              |    |    | 1  |
| Budget authority:                                              |                                                               |    |    |    |
| Appropriations, discretionary:                                 |                                                               |    |    |    |
| 1100                                                           | Appropriation .....                                           | 12 | 11 | 12 |
| 1160                                                           | Appropriation, discretionary (total) .....                    | 12 | 11 | 12 |
| Appropriations, mandatory:                                     |                                                               |    |    |    |
| 1221                                                           | Transferred from other accounts [12-4336] .....               | 1  | 1  |    |
| 1260                                                           | Appropriations, mandatory (total) .....                       | 1  | 1  |    |
| Spending authority from offsetting collections, discretionary: |                                                               |    |    |    |
| 1700                                                           | Collected .....                                               |    | 2  | 2  |
| 1701                                                           | Change in uncollected payments, Federal sources .....         | 1  |    |    |
| 1750                                                           | Spending auth from offsetting collections, disc (total) ..... | 1  | 2  | 2  |
| 1900                                                           | Budget authority (total) .....                                | 14 | 14 | 14 |
| 1930                                                           | Total budgetary resources available .....                     | 14 | 14 | 15 |
| Memorandum (non-add) entries:                                  |                                                               |    |    |    |
| 1940                                                           | Unobligated balance expiring .....                            | -1 |    |    |
| 1941                                                           | Unexpired unobligated balance, end of year .....              |    | 1  | 2  |

**Change in obligated balance:**

|                                         |                                                              |     |     |     |
|-----------------------------------------|--------------------------------------------------------------|-----|-----|-----|
| Obligated balance, start of year (net): |                                                              |     |     |     |
| 3000                                    | Unpaid obligations, brought forward, Oct 1 (gross) .....     | 6   | 6   | 5   |
| 3010                                    | Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -2  | -2  | -2  |
| 3020                                    | Obligated balance, start of year (net) .....                 | 4   | 4   | 3   |
| 3030                                    | Obligations incurred, unexpired accounts .....               | 13  | 13  | 13  |
| 3040                                    | Outlays (gross) .....                                        | -13 | -14 | -15 |
| 3050                                    | Change in uncollected pymts, Fed sources, unexpired .....    | -1  |     |     |
| 3051                                    | Change in uncollected pymts, Fed sources, expired .....      | 1   |     |     |
| Obligated balance, end of year (net):   |                                                              |     |     |     |
| 3090                                    | Unpaid obligations, end of year (gross) .....                | 6   | 5   | 3   |
| 3091                                    | Uncollected pymts, Fed sources, end of year .....            | -2  | -2  | -2  |
| 3100                                    | Obligated balance, end of year (net) .....                   | 4   | 3   | 1   |

EXECUTIVE OPERATIONS—Continued  
Program and Financing—Continued

| Identification code 12-0123-0-1-352                     | 2011 actual                                               | 2012 est. | 2013 est. |    |
|---------------------------------------------------------|-----------------------------------------------------------|-----------|-----------|----|
| <b>Budget authority and outlays, net:</b>               |                                                           |           |           |    |
| Discretionary:                                          |                                                           |           |           |    |
| 4000                                                    | Budget authority, gross .....                             | 13        | 13        | 14 |
| Outlays, gross:                                         |                                                           |           |           |    |
| 4010                                                    | Outlays from new discretionary authority .....            | 9         | 12        | 13 |
| 4011                                                    | Outlays from discretionary balances .....                 | 4         | 1         | 2  |
| 4020                                                    | Outlays, gross (total) .....                              | 13        | 13        | 15 |
| Offsets against gross budget authority and outlays:     |                                                           |           |           |    |
| Offsetting collections (collected) from:                |                                                           |           |           |    |
| 4030                                                    | Federal sources .....                                     | -1        | -2        | -2 |
| Additional offsets against gross budget authority only: |                                                           |           |           |    |
| 4050                                                    | Change in uncollected pymts, Fed sources, unexpired ..... | -1        |           |    |
| 4052                                                    | Offsetting collections credited to expired accounts ..... | 1         |           |    |
| 4070                                                    | Budget authority, net (discretionary) .....               | 12        | 11        | 12 |
| 4080                                                    | Outlays, net (discretionary) .....                        | 12        | 11        | 13 |
| Mandatory:                                              |                                                           |           |           |    |
| 4090                                                    | Budget authority, gross .....                             | 1         | 1         |    |
| Outlays, gross:                                         |                                                           |           |           |    |
| 4100                                                    | Outlays from new mandatory authority .....                |           | 1         |    |
| 4180                                                    | Budget authority, net (total) .....                       | 13        | 12        | 12 |
| 4190                                                    | Outlays, net (total) .....                                | 12        | 12        | 13 |

The Office of the Chief Economist advises the Secretary of Agriculture on the economic implications of Department policies, programs and proposed legislation. The Office serves as a focal point for USDA's economic intelligence and analysis; projections related to agricultural commodity markets; risk assessment and cost-benefit analysis related to domestic and international food and agriculture; policy direction for renewable energy development; coordination, analysis and advice on climate change and environmental market activities; and is responsible for coordination and review of all commodity and aggregate agricultural and food-related data used to develop outlook and situation material within the Department. The 2013 Budget requests \$12 million, a slight increase above the 2012 enacted level.

## Object Classification (in millions of dollars)

| Identification code 12-0123-0-1-352 | 2011 actual                                       | 2012 est. | 2013 est. |    |
|-------------------------------------|---------------------------------------------------|-----------|-----------|----|
| Direct obligations:                 |                                                   |           |           |    |
| 11.1                                | Personnel compensation: Full-time permanent ..... | 7         | 7         | 7  |
| 12.1                                | Civilian personnel benefits .....                 | 2         | 2         | 2  |
| 25.2                                | Other services from non-Federal sources .....     | 3         | 2         | 3  |
| 99.0                                | Direct obligations .....                          | 12        | 11        | 12 |
| 99.0                                | Reimbursable obligations .....                    | 1         | 2         | 1  |
| 99.9                                | Total new obligations .....                       | 13        | 13        | 13 |

## Employment Summary

| Identification code 12-0123-0-1-352 | 2011 actual                                           | 2012 est. | 2013 est. |    |
|-------------------------------------|-------------------------------------------------------|-----------|-----------|----|
| 1001                                | Direct civilian full-time equivalent employment ..... | 52        | 53        | 53 |

## NATIONAL APPEALS DIVISION

## Federal Funds

## NATIONAL APPEALS DIVISION

For necessary expenses of the National Appeals Division, **[\$12,841,000]** \$14,225,000. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)

## Program and Financing (in millions of dollars)

| Identification code 12-0706-0-1-352       | 2011 actual                                              | 2012 est. | 2013 est. |     |
|-------------------------------------------|----------------------------------------------------------|-----------|-----------|-----|
| <b>Obligations by program activity:</b>   |                                                          |           |           |     |
| 0001                                      | National Appeals Division .....                          | 14        | 13        | 14  |
| <b>Budgetary Resources:</b>               |                                                          |           |           |     |
| Budget authority:                         |                                                          |           |           |     |
| Appropriations, discretionary:            |                                                          |           |           |     |
| 1100                                      | Appropriation .....                                      | 14        | 13        | 14  |
| 1160                                      | Appropriation, discretionary (total) .....               | 14        | 13        | 14  |
| 1930                                      | Total budgetary resources available .....                | 14        | 13        | 14  |
| <b>Change in obligated balance:</b>       |                                                          |           |           |     |
| Obligated balance, start of year (net):   |                                                          |           |           |     |
| 3000                                      | Unpaid obligations, brought forward, Oct 1 (gross) ..... | 3         | 4         | 4   |
| 3030                                      | Obligations incurred, unexpired accounts .....           | 14        | 13        | 14  |
| 3040                                      | Outlays (gross) .....                                    | -13       | -13       | -14 |
| Obligated balance, end of year (net):     |                                                          |           |           |     |
| 3090                                      | Unpaid obligations, end of year (gross) .....            | 4         | 4         | 4   |
| 3100                                      | Obligated balance, end of year (net) .....               | 4         | 4         | 4   |
| <b>Budget authority and outlays, net:</b> |                                                          |           |           |     |
| Discretionary:                            |                                                          |           |           |     |
| 4000                                      | Budget authority, gross .....                            | 14        | 13        | 14  |
| Outlays, gross:                           |                                                          |           |           |     |
| 4010                                      | Outlays from new discretionary authority .....           | 12        | 10        | 11  |
| 4011                                      | Outlays from discretionary balances .....                | 1         | 3         | 3   |
| 4020                                      | Outlays, gross (total) .....                             | 13        | 13        | 14  |
| 4180                                      | Budget authority, net (total) .....                      | 14        | 13        | 14  |
| 4190                                      | Outlays, net (total) .....                               | 13        | 13        | 14  |

The National Appeals Division (NAD) is responsible for listening to farmers and other rural program participants concerning their disputes with certain agencies within the Department of Agriculture through fair and impartial administrative hearings and appeals. The 2013 Budget requests \$14 million, a \$1.4 million increase above the 2012 enacted level. This increase is needed to ensure that NAD can carry out its full range of responsibilities and to meet statutory deadlines, workload requirements, and demands for deciding complex cases on a timely basis throughout the United States.

## Object Classification (in millions of dollars)

| Identification code 12-0706-0-1-352 | 2011 actual                                       | 2012 est. | 2013 est. |    |
|-------------------------------------|---------------------------------------------------|-----------|-----------|----|
| Direct obligations:                 |                                                   |           |           |    |
| 11.1                                | Personnel compensation: Full-time permanent ..... | 11        | 11        | 11 |
| 12.1                                | Civilian personnel benefits .....                 | 2         | 2         | 2  |
| 25.1                                | Advisory and assistance services .....            | 1         |           | 1  |
| 99.9                                | Total new obligations .....                       | 14        | 13        | 14 |

## Employment Summary

| Identification code 12-0706-0-1-352 | 2011 actual                                           | 2012 est. | 2013 est. |     |
|-------------------------------------|-------------------------------------------------------|-----------|-----------|-----|
| 1001                                | Direct civilian full-time equivalent employment ..... | 92        | 90        | 102 |

## OFFICE OF CIVIL RIGHTS

## Federal Funds

## OFFICE OF CIVIL RIGHTS

For necessary expenses of the Office of Civil Rights, **[\$21,000,000]** \$22,692,000. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)

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

| Identification code 12-3800-0-1-352                                 | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                             |             |           |           |
| 0001 Direct program activity .....                                  | 23          | 21        | 23        |
| 0801 Reimbursable program activity .....                            | 1           | 1         | 1         |
| 0900 Total new obligations .....                                    | 24          | 22        | 24        |
| <b>Budgetary Resources:</b>                                         |             |           |           |
| Budget authority:                                                   |             |           |           |
| Appropriations, discretionary:                                      |             |           |           |
| 1100 Appropriation .....                                            | 23          | 21        | 23        |
| 1160 Appropriation, discretionary (total) .....                     | 23          | 21        | 23        |
| Spending authority from offsetting collections, discretionary:      |             |           |           |
| 1700 Collected .....                                                | 1           | 1         | 1         |
| 1701 Change in uncollected payments, Federal sources .....          | 1           | .....     | .....     |
| 1750 Spending auth from offsetting collections, disc (total) .....  | 1           | 1         | 1         |
| 1900 Budget authority (total) .....                                 | 24          | 22        | 24        |
| 1930 Total budgetary resources available .....                      | 24          | 22        | 24        |
| <b>Change in obligated balance:</b>                                 |             |           |           |
| Obligated balance, start of year (net):                             |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....       | 11          | 6         | 2         |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....   | -16         | -7        | -7        |
| 3020 Obligated balance, start of year (net) .....                   | -5          | -1        | -5        |
| 3030 Obligations incurred, unexpired accounts .....                 | 24          | 22        | 24        |
| 3040 Outlays (gross) .....                                          | -28         | -26       | -25       |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....      | -1          | .....     | .....     |
| 3051 Change in uncollected pymts, Fed sources, expired .....        | 10          | .....     | .....     |
| 3081 Recoveries of prior year unpaid obligations, expired .....     | -1          | .....     | .....     |
| Obligated balance, end of year (net):                               |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                  | 6           | 2         | 1         |
| 3091 Uncollected pymts, Fed sources, end of year .....              | -7          | -7        | -7        |
| 3100 Obligated balance, end of year (net) .....                     | -1          | -5        | -6        |
| <b>Budget authority and outlays, net:</b>                           |             |           |           |
| Discretionary:                                                      |             |           |           |
| 4000 Budget authority, gross .....                                  | 24          | 22        | 24        |
| Outlays, gross:                                                     |             |           |           |
| 4010 Outlays from new discretionary authority .....                 | 21          | 21        | 23        |
| 4011 Outlays from discretionary balances .....                      | 7           | 5         | 2         |
| 4020 Outlays, gross (total) .....                                   | 28          | 26        | 25        |
| Offsets against gross budget authority and outlays:                 |             |           |           |
| Offsetting collections (collected) from:                            |             |           |           |
| 4030 Federal sources .....                                          | -12         | -1        | -1        |
| Additional offsets against gross budget authority only:             |             |           |           |
| 4050 Change in uncollected pymts, Fed sources, unexpired .....      | -1          | .....     | .....     |
| 4052 Offsetting collections credited to expired accounts .....      | 12          | .....     | .....     |
| 4060 Additional offsets against budget authority only (total) ..... | 11          | .....     | .....     |
| 4070 Budget authority, net (discretionary) .....                    | 23          | 21        | 23        |
| 4080 Outlays, net (discretionary) .....                             | 16          | 25        | 24        |
| 4180 Budget authority, net (total) .....                            | 23          | 21        | 23        |
| 4190 Outlays, net (total) .....                                     | 16          | 25        | 24        |

**Summary of Budget Authority and Outlays** (in millions of dollars)

|                                             | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------|-------------|-----------|-----------|
| Enacted/requested:                          |             |           |           |
| Budget Authority .....                      | 23          | 21        | 23        |
| Outlays .....                               | 16          | 25        | 24        |
| Legislative proposal, not subject to PAYGO: |             |           |           |
| Budget Authority .....                      | .....       | .....     | 40        |
| Outlays .....                               | .....       | .....     | 30        |
| Total:                                      |             |           |           |
| Budget Authority .....                      | 23          | 21        | 63        |
| Outlays .....                               | 16          | 25        | 54        |

The Office of Civil Rights provides overall leadership responsibility for all Department-wide civil rights activities, including employment opportunity and program non-discrimination policy development, analysis, coordination, and compliance. The Office is responsible for providing leadership in the implementation of best practices that will create an environment where a diverse workforce is valued as a source of strength. The Office has the

responsibility for monitoring program activities to ensure that all USDA programs are delivered in a non-discriminatory manner. The 2013 Budget requests \$23 million, an increase of \$1.7 million above the 2012 enacted level. The increase will be used to support the EEO services contract for conflict cases; support the administrative personnel contract; increase USDA-wide civil rights training; increase EEO and compliance reviews; and increase field program complaint investigations.

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

| Identification code 12-3800-0-1-352                      | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                      |             |           |           |
| 11.1 Personnel compensation: Full-time permanent .....   | 12          | 13        | 13        |
| 12.1 Civilian personnel benefits .....                   | 4           | 4         | 4         |
| 25.2 Other services from non-Federal sources .....       | 3           | 1         | 3         |
| 25.3 Other goods and services from Federal sources ..... | 3           | 3         | 3         |
| 99.0 Direct obligations .....                            | 22          | 21        | 23        |
| 99.0 Reimbursable obligations .....                      | 1           | 1         | 1         |
| 99.5 Below reporting threshold .....                     | 1           | .....     | .....     |
| 99.9 Total new obligations .....                         | 24          | 22        | 24        |

**Employment Summary**

| Identification code 12-3800-0-1-352                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 128         | 134       | 134       |

OFFICE OF CIVIL RIGHTS

(Legislative proposal, not subject to PAYGO)

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

| Identification code 12-3800-2-1-352                   | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>               |             |           |           |
| 0001 Settlement of discrimination claims .....        | .....       | .....     | 30        |
| 0900 Total new obligations (object class 42.0) .....  | .....       | .....     | 30        |
| <b>Budgetary Resources:</b>                           |             |           |           |
| Budget authority:                                     |             |           |           |
| Appropriations, discretionary:                        |             |           |           |
| 1100 Appropriation .....                              | .....       | .....     | 40        |
| 1160 Appropriation, discretionary (total) .....       | .....       | .....     | 40        |
| 1930 Total budgetary resources available .....        | .....       | .....     | 40        |
| Memorandum (non-add) entries:                         |             |           |           |
| 1941 Unexpired unobligated balance, end of year ..... | .....       | .....     | 10        |
| <b>Change in obligated balance:</b>                   |             |           |           |
| 3030 Obligations incurred, unexpired accounts .....   | .....       | .....     | 30        |
| 3040 Outlays (gross) .....                            | .....       | .....     | -30       |
| <b>Budget authority and outlays, net:</b>             |             |           |           |
| Discretionary:                                        |             |           |           |
| 4000 Budget authority, gross .....                    | .....       | .....     | 40        |
| Outlays, gross:                                       |             |           |           |
| 4010 Outlays from new discretionary authority .....   | .....       | .....     | 30        |
| 4180 Budget authority, net (total) .....              | .....       | .....     | 40        |
| 4190 Outlays, net (total) .....                       | .....       | .....     | 30        |

This funding is requested to settle claims of discrimination filed between July 1, 1997 and October 31, 2009 arising out of the delivery of USDA credit programs. The Department has determined that many claims were inadequately resolved during the applicable two-year statute of limitations under the Equal Credit Opportunity Act. As a result, USDA is requesting the funding above and will also request necessary legislative authority to extend the statute of limitations for these claims so they can be properly resolved.

**DEPARTMENTAL MANAGEMENT**

**Federal Funds**

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

For Departmental Administration, **[\$24,165,000]** \$29,647,000, to provide for necessary expenses for management support services to offices of the Department and for general administration, security, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department: *Provided*, That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558.

OFFICE OF THE CHIEF INFORMATION OFFICER

For necessary expenses of the Office of the Chief Information Officer, **\$44,031,000**.

OFFICE OF THE CHIEF FINANCIAL OFFICER

For necessary expenses of the Office of the Chief Financial Officer, **[\$5,650,000]** \$6,247,000: *Provided*, That no funds made available by this appropriation may be obligated for FAIR Act or Circular A-76 activities until the Secretary has submitted to the Committees on Appropriations of both Houses of Congress and the Committee on Oversight and Government Reform of the House of Representatives a report on the Department's contracting out policies, including agency budgets for contracting out.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, **[\$8,946,000]** \$9,049,000.

OFFICE OF HOMELAND SECURITY AND EMERGENCY COORDINATION

For necessary expenses of the Office of Homeland Security and Emergency Coordination, **[\$1,321,000]** \$1,496,000.

OFFICE OF ADVOCACY AND OUTREACH

For necessary expenses of the Office of Advocacy and Outreach, **[\$1,209,000]** \$1,422,000. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

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

| Identification code 12-9915-0-1-350                                  | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                              |             |           |           |
| 0001 Office of Advocacy and Outreach .....                           | 1           | 1         | 1         |
| 0004 Office of the Chief Financial Officer .....                     | 6           | 6         | 6         |
| 0005 Office of Budget and Program Analysis .....                     | 8           | 9         | 9         |
| 0006 Office of the Chief Information Officer .....                   | 40          | 44        | 44        |
| 0007 Departmental Administration .....                               | 30          | 26        | 30        |
| 0008 Office of Homeland Security and Emergency Coordination .....    | 1           | 1         | 2         |
| 0009 Outreach and Technical Assistance Program .....                 | 20          | 20        |           |
| 0799 Total direct obligations .....                                  | 106         | 107       | 92        |
| 0801 Reimbursable program activity .....                             | 83          | 88        | 82        |
| 0900 Total new obligations .....                                     | 189         | 195       | 174       |
| <b>Budgetary Resources:</b>                                          |             |           |           |
| Unobligated balance:                                                 |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                | 5           | 7         | 3         |
| 1021 Recoveries of prior year unpaid obligations .....               | 2           |           |           |
| 1050 Unobligated balance (total) .....                               | 7           | 7         | 3         |
| Budget authority:                                                    |             |           |           |
| Appropriations, discretionary:                                       |             |           |           |
| 1100 Appropriation .....                                             | 88          | 85        | 92        |
| 1120 Appropriations transferred to other accts [12-4609] .....       | -1          |           |           |
| 1131 Unobligated balance of appropriations permanently reduced ..... | -1          | -4        |           |
| 1160 Appropriation, discretionary (total) .....                      | 86          | 81        | 92        |
| Appropriations, mandatory:                                           |             |           |           |
| 1221 Appropriations transferred from other accts [12-4336] .....     | 22          | 22        |           |
| 1260 Appropriations, mandatory (total) .....                         | 22          | 22        |           |
| Spending authority from offsetting collections, discretionary:       |             |           |           |
| 1700 Collected .....                                                 | 40          | 88        | 83        |
| 1701 Change in uncollected payments, Federal sources .....           | 45          |           |           |
| 1750 Spending auth from offsetting collections, disc (total) .....   | 85          | 88        | 83        |

|                                                       |     |     |     |
|-------------------------------------------------------|-----|-----|-----|
| 1900 Budget authority (total) .....                   | 193 | 191 | 175 |
| 1930 Total budgetary resources available .....        | 200 | 198 | 178 |
| Memorandum (non-add) entries:                         |     |     |     |
| 1940 Unobligated balance expiring .....               | -4  |     |     |
| 1941 Unexpired unobligated balance, end of year ..... | 7   | 3   | 4   |

**Change in obligated balance:**

|                                                                   |      |      |      |
|-------------------------------------------------------------------|------|------|------|
| Obligated balance, start of year (net):                           |      |      |      |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 138  | 104  | 34   |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -146 | -142 | -142 |
| 3020 Obligated balance, start of year (net) .....                 | -8   | -38  | -108 |
| 3030 Obligations incurred, unexpired accounts .....               | 189  | 195  | 174  |
| 3031 Obligations incurred, expired accounts .....                 | 13   |      |      |
| 3040 Outlays (gross) .....                                        | -222 | -265 | -196 |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....    | -45  |      |      |
| 3051 Change in uncollected pymts, Fed sources, expired .....      | 49   |      |      |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -2   |      |      |
| 3081 Recoveries of prior year unpaid obligations, expired .....   | -12  |      |      |
| Obligated balance, end of year (net):                             |      |      |      |
| 3090 Unpaid obligations, end of year (gross) .....                | 104  | 34   | 12   |
| 3091 Uncollected pymts, Fed sources, end of year .....            | -142 | -142 | -142 |
| 3100 Obligated balance, end of year (net) .....                   | -38  | -108 | -130 |

**Budget authority and outlays, net:**

|                                                                     |     |     |     |
|---------------------------------------------------------------------|-----|-----|-----|
| Discretionary:                                                      |     |     |     |
| 4000 Budget authority, gross .....                                  | 171 | 169 | 175 |
| Outlays, gross:                                                     |     |     |     |
| 4010 Outlays from new discretionary authority .....                 | 127 | 166 | 172 |
| 4011 Outlays from discretionary balances .....                      | 89  | 77  | 24  |
| 4020 Outlays, gross (total) .....                                   | 216 | 243 | 196 |
| Offsets against gross budget authority and outlays:                 |     |     |     |
| Offsetting collections (collected) from:                            |     |     |     |
| 4030 Federal sources .....                                          | -92 | -88 | -83 |
| Additional offsets against gross budget authority only:             |     |     |     |
| 4050 Change in uncollected pymts, Fed sources, unexpired .....      | -45 |     |     |
| 4052 Offsetting collections credited to expired accounts .....      | 52  |     |     |
| 4060 Additional offsets against budget authority only (total) ..... | 7   |     |     |
| 4070 Budget authority, net (discretionary) .....                    | 86  | 81  | 92  |
| 4080 Outlays, net (discretionary) .....                             | 124 | 155 | 113 |
| Mandatory:                                                          |     |     |     |
| 4090 Budget authority, gross .....                                  | 22  | 22  |     |
| Outlays, gross:                                                     |     |     |     |
| 4100 Outlays from new mandatory authority .....                     | 1   | 22  |     |
| 4101 Outlays from mandatory balances .....                          | 5   |     |     |
| 4110 Outlays, gross (total) .....                                   | 6   | 22  |     |
| 4180 Budget authority, net (total) .....                            | 108 | 103 | 92  |
| 4190 Outlays, net (total) .....                                     | 130 | 177 | 113 |

**Summary of Budget Authority and Outlays** (in millions of dollars)

|                                         | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------|-------------|-----------|-----------|
| Enacted/requested:                      |             |           |           |
| Budget Authority .....                  | 108         | 103       | 92        |
| Outlays .....                           | 130         | 177       | 113       |
| Legislative proposal, subject to PAYGO: |             |           |           |
| Outlays .....                           |             |           | -1        |
| Total:                                  |             |           |           |
| Budget Authority .....                  | 108         | 103       | 92        |
| Outlays .....                           | 130         | 177       | 112       |

Departmental Management comprises the following offices:

Departmental Administration includes offices that provide staff support to policy officials and overall direction and coordination of the Department. These activities include Department-wide programs for human resources management, ethics, occupational safety and health management, real and personal property management, acquisitions and contracting, motor vehicle and aircraft management, supply management, participation of small and disadvantaged businesses, service-disabled veterans programs, and the regulatory hearing and administrative proceedings conducted by the Administrative Law Judges, and Judicial Officer. The 2013 Budget requests \$30 million, an increase of \$5.5 million above the 2012 enacted level.

The Clinger-Cohen Act of 1996 required the establishment of a Chief Information Officer (CIO) for all major Federal agencies.

The Act requires USDA to maximize the value of information technology acquisitions to improve the efficiency and effectiveness of USDA programs. To meet the intent of the law and to provide a Departmental focus for information resources management issues, Secretary's Memorandum 1030-30, dated August 8, 1996, established the Office of the Chief Information Officer (OCIO). The CIO serves as the primary advisor to the Secretary on Information Technology (IT) issues. OCIO provides leadership for the Department's information and IT management activities in support of USDA program delivery. The 2013 Budget requests \$44 million for OCIO, the same amount that was provided in the 2012 enacted level.

The Office of the Chief Financial Officer (OCFO) was established in 1995 under authority provided in Reorganization Plan Number 2 of 1953 (7 U.S.C. 2201) to comply with the Chief Financial Officers Act of 1990. The OCFO focuses on the Department's financial and performance management activities to improve program delivery and assure maximum contribution to the Secretary's Strategic Goals. The 2013 Budget requests \$6 million, a slight increase above the 2012 enacted level.

The Office of Budget and Program Analysis (OBPA) coordinates the preparation of Departmental budget estimates, regulations, and legislative reports; administers systems for the allotment and apportionment of funds; provides analysis of USDA program issues, draft regulations, and budget proposals; participates in strategic planning; and provides assistance to USDA policy makers in the development and execution of desired policies and programs. The 2013 Budget requests \$9 million, a slight increase above the 2012 enacted level.

The Office of Homeland Security and Emergency Coordination formulates emergency preparedness policies and objectives for USDA. The Staff directs and coordinates all of the Department's program activities that support USDA emergency programs and liaison functions with the Congress, the Department of Homeland Security, and other Federal Departments and agencies involving homeland security, natural disasters, other emergencies, and agriculture-related international civil emergency planning and intelligence activities. The 2013 Budget requests \$1.5 million, a slight increase above the 2012 enacted level.

The Office of Advocacy and Outreach (OAO) improves access to USDA programs and enhances the viability and profitability of small farms and ranches, beginning farmers and ranchers, and socially disadvantaged farmers and ranchers ensuring that the Department and its programs are open and transparent. The Department is committed to ensuring that all USDA constituents, including historically underserved groups, have the opportunity to participate in and benefit from the programs offered by the Department. The 2013 Budget requests \$1.4 million, a slight increase above the 2012 enacted level.

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

| Identification code 12-9915-0-1-350                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| 11.1 Personnel compensation: Full-time permanent .....          | 44          | 38        | 41        |
| 12.1 Civilian personnel benefits .....                          | 11          | 10        | 11        |
| 21.0 Travel and transportation of persons .....                 | 6           | 5         | 1         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 2           | 2         | 1         |
| 25.2 Other services from non-Federal sources .....              | 26          | 37        | 26        |
| 25.3 Other goods and services from Federal sources .....        | 14          | 14        | 11        |
| 26.0 Supplies and materials .....                               | 1           | 1         | 1         |
| 31.0 Equipment .....                                            | 1           | 1         | .....     |
| 99.0 Direct obligations .....                                   | 105         | 108       | 92        |
| 99.0 Reimbursable obligations .....                             | 82          | 86        | 81        |
| 99.5 Below reporting threshold .....                            | 2           | 1         | 1         |
| 99.9 Total new obligations .....                                | 189         | 195       | 174       |

**Employment Summary**

| Identification code 12-9915-0-1-350                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 368         | 350       | 389       |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 142         | 212       | 179       |

**DEPARTMENTAL ADMINISTRATION**  
(Legislative proposal, subject to PAYGO)

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

| Identification code 12-9915-4-1-350                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Budgetary Resources:</b>                                        |             |           |           |
| Budget authority:                                                  |             |           |           |
| Spending authority from offsetting collections, mandatory:         |             |           |           |
| 1800 Collected .....                                               | .....       | .....     | 1         |
| 1850 Spending auth from offsetting collections, mand (total) ..... | .....       | .....     | 1         |
| 1930 Total budgetary resources available .....                     | .....       | .....     | 1         |
| Memorandum (non-add) entries:                                      |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....              | .....       | .....     | 1         |
| <b>Budget authority and outlays, net:</b>                          |             |           |           |
| Mandatory:                                                         |             |           |           |
| 4090 Budget authority, gross .....                                 | .....       | .....     | 1         |
| Offsets against gross budget authority and outlays:                |             |           |           |
| Offsetting collections (collected) from:                           |             |           |           |
| 4123 Non-Federal sources .....                                     | .....       | .....     | -1        |
| 4190 Outlays, net (total) .....                                    | .....       | .....     | -1        |

USDA's BioPreferred Program is charged with administering the voluntary USDA Certified Biobased Product label, which was mandated by both the 2002 and 2008 Farm Bills. In 2011, USDA authorized the use of a label for biobased products that producers can use in advertising their products. To ensure the integrity of the label, the Budget requests authority for USDA to: (1) impose civil penalties on companies who misuse the label; and (2) assess each producer who applies to use the label a fee to fund a program audit. This fee, which will begin to be collected once authorizing legislation is enacted, has been given broad support by potential users who commented on the labels proposed rule, which was issued in May 2010.

**HAZARDOUS MATERIALS MANAGEMENT**  
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.) and the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.), **[\$3,592,000] \$3,992,000**, to remain available until expended: *Provided*, That appropriations and funds available herein to the Department for Hazardous Materials Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

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

| Identification code 12-0500-0-1-304                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                         |             |           |           |
| 0001 Hazardous materials management .....                       | 6           | 4         | 4         |
| <b>Budgetary Resources:</b>                                     |             |           |           |
| Unobligated balance:                                            |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....           | .....       | 1         | 1         |
| 1020 Adjustment of unobligated bal brought forward, Oct 1 ..... | 1           | .....     | .....     |
| 1021 Recoveries of prior year unpaid obligations .....          | 2           | .....     | .....     |
| 1050 Unobligated balance (total) .....                          | 3           | 1         | 1         |

HAZARDOUS MATERIALS MANAGEMENT—Continued  
Program and Financing—Continued

| Identification code 12-0500-0-1-304                               | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Budget authority:</b>                                          |             |           |           |
| Appropriations, discretionary:                                    |             |           |           |
| 1100 Appropriation .....                                          | 4           | 4         | 4         |
| 1160 Appropriation, discretionary (total) .....                   | 4           | 4         | 4         |
| 1930 Total budgetary resources available .....                    | 7           | 5         | 5         |
| Memorandum (non-add) entries:                                     |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....             | 1           | 1         | 1         |
| <b>Change in obligated balance:</b>                               |             |           |           |
| Obligated balance, start of year (net):                           |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 20          | 16        | 5         |
| 3030 Obligations incurred, unexpired accounts .....               | 6           | 4         | 4         |
| 3040 Outlays (gross) .....                                        | -8          | -15       | -9        |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -2          |           |           |
| Obligated balance, end of year (net):                             |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                | 16          | 5         |           |
| 3100 Obligated balance, end of year (net) .....                   | 16          | 5         |           |
| <b>Budget authority and outlays, net:</b>                         |             |           |           |
| Discretionary:                                                    |             |           |           |
| 4000 Budget authority, gross .....                                | 4           | 4         | 4         |
| Outlays, gross:                                                   |             |           |           |
| 4010 Outlays from new discretionary authority .....               | 2           | 4         | 4         |
| 4011 Outlays from discretionary balances .....                    | 6           | 11        | 5         |
| 4020 Outlays, gross (total) .....                                 | 8           | 15        | 9         |
| 4180 Budget authority, net (total) .....                          | 4           | 4         | 4         |
| 4190 Outlays, net (total) .....                                   | 8           | 15        | 9         |

Under the Comprehensive Environmental Response, Compensation, and Liability Act and the Resource Conservation and Recovery Act, the Department has the responsibility to meet the same standards for environmental cleanup and regulatory compliance regarding hazardous wastes and hazardous substances as private businesses. With substantial commitments under these Acts, the Hazardous Materials Management account was established as a central fund so that the Department's agencies may be reimbursed for their cleanup efforts. The Department determines what projects to fund by using objective criteria that identify what sites pose the greatest threats to public health and the environment. The 2013 Budget requests \$3.9 million, a slight increase above the 2012 enacted level.

Object Classification (in millions of dollars)

| Identification code 12-0500-0-1-304                      | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                               |             |           |           |
| 11.1 Personnel compensation: Full-time permanent .....   | 1           | 1         | 1         |
| 25.3 Other goods and services from Federal sources ..... | 5           | 3         | 3         |
| 99.9 Total new obligations .....                         | 6           | 4         | 4         |

Employment Summary

| Identification code 12-0500-0-1-304                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 6           | 7         | 7         |

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

For payment of space rental and related costs pursuant to Public Law 92-313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for alterations and other actions needed for the Department and its agencies to consolidate unneeded space into configurations suitable for release to the Administrator of

General Services, and for the operation, maintenance, improvement, and repair of Agriculture buildings and facilities, and for related costs, **[\$230,416,000] \$244,057,000**, to remain available until expended, of which **[\$164,470,000] \$189,167,000** shall be available for payments to the General Services Administration for rent [; of which \$13,800,000] and for payments to the Department of Homeland Security for building security activities; and of which **[\$52,146,000] \$54,890,000** is for buildings operations and maintenance expenses: *Provided*, That the Secretary may use unobligated prior year balances of an agency or office that are no longer available for new obligation to cover shortfalls incurred in prior year rental payments for such agency or office: *Provided further*, That the Secretary is authorized to transfer funds from a Departmental agency to this account to recover the full cost of the space and security expenses of that agency that are funded by this account when the actual costs exceed the agency estimate which will be available for the activities and payments described herein. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-0117-0-1-352                                  | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                              |             |           |           |
| 0001 Rental payments to GSA: Non-recurring repairs .....             | 168         | 175       | 176       |
| 0002 Building operations and maintenance .....                       | 75          | 41        | 43        |
| 0003 Homeland Security .....                                         | 13          | 14        | 13        |
| 0004 DHS building security .....                                     | 14          | 12        | 12        |
| 0005 Building Renovations -ARRA .....                                | 2           |           |           |
| 0799 Total direct obligations .....                                  | 272         | 242       | 244       |
| 0802 Reimbursable program .....                                      | 4           | 3         | 3         |
| 0900 Total new obligations .....                                     | 276         | 245       | 247       |
| <b>Budgetary Resources:</b>                                          |             |           |           |
| Unobligated balance:                                                 |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                | 78          | 12        |           |
| 1021 Recoveries of prior year unpaid obligations .....               | 2           |           |           |
| 1050 Unobligated balance (total) .....                               | 80          | 12        |           |
| Budget authority:                                                    |             |           |           |
| Appropriations, discretionary:                                       |             |           |           |
| 1100 Appropriation .....                                             | 247         | 230       | 244       |
| 1131 Unobligated balance of appropriations permanently reduced ..... | -45         |           |           |
| 1160 Appropriation, discretionary (total) .....                      | 202         | 230       | 244       |
| Spending authority from offsetting collections, discretionary:       |             |           |           |
| 1700 Collected .....                                                 | 6           | 3         | 3         |
| 1750 Spending auth from offsetting collections, disc (total) .....   | 6           | 3         | 3         |
| 1900 Budget authority (total) .....                                  | 208         | 233       | 247       |
| 1930 Total budgetary resources available .....                       | 288         | 245       | 247       |
| Memorandum (non-add) entries:                                        |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                | 12          |           |           |
| <b>Change in obligated balance:</b>                                  |             |           |           |
| Obligated balance, start of year (net):                              |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....        | 14          | 71        | 12        |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....    | -8          | -8        | -8        |
| 3020 Obligated balance, start of year (net) .....                    | 6           | 63        | 4         |
| 3030 Obligations incurred, unexpired accounts .....                  | 276         | 245       | 247       |
| 3031 Obligations incurred, expired accounts .....                    | 2           | 2         |           |
| 3040 Outlays (gross) .....                                           | -219        | -306      | -247      |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....    | -2          |           |           |
| Obligated balance, end of year (net):                                |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                   | 71          | 12        | 12        |
| 3091 Uncollected pymts, Fed sources, end of year .....               | -8          | -8        | -8        |
| 3100 Obligated balance, end of year (net) .....                      | 63          | 4         | 4         |
| <b>Budget authority and outlays, net:</b>                            |             |           |           |
| Discretionary:                                                       |             |           |           |
| 4000 Budget authority, gross .....                                   | 208         | 233       | 247       |
| Outlays, gross:                                                      |             |           |           |
| 4010 Outlays from new discretionary authority .....                  | 204         | 230       | 244       |
| 4011 Outlays from discretionary balances .....                       | 15          | 76        | 3         |
| 4020 Outlays, gross (total) .....                                    | 219         | 306       | 247       |
| Offsets against gross budget authority and outlays:                  |             |           |           |
| Offsetting collections (collected) from:                             |             |           |           |
| 4030 Federal sources .....                                           | -6          | -3        | -3        |
| 4180 Budget authority, net (total) .....                             | 202         | 230       | 244       |



|                                       |                                                              |     |     |     |
|---------------------------------------|--------------------------------------------------------------|-----|-----|-----|
| 4190                                  | Outlays, net (total)                                         | 213 | 303 | 244 |
| <b>Unfunded deficiencies:</b>         |                                                              |     |     |     |
| 7000                                  | Unfunded deficiency, start of year                           | -30 | -6  |     |
| Change in deficiency during the year: |                                                              |     |     |     |
| 7012                                  | Available budgetary resources used to liquidate deficiencies | 24  | 6   |     |
| 7020                                  | Unfunded deficiency, end of year                             | -6  |     |     |

This account finances the General Services Administration's fees for rental of space and the Department of Homeland Security's security-related fees. The appropriation covers all fees for all regular appropriated accounts within the Department of Agriculture with the exception of the Forest Service. This account also finances the day to day operations, repair, improvement and maintenance activities of two buildings in the Headquarters complex and the George Washington Carver Center in Beltsville, Md.

**Deficiency in Rental Payments**

| \$ Millions                                | 2011 | FY2012 | FY2013 |
|--------------------------------------------|------|--------|--------|
| Deficiency, start of year                  | -30  | -6     | —      |
| Unobligated balances applied to deficiency | 15   | -6     | —      |
| Adjusted deficiency                        | -14  | —      | —      |
| Appropriation applied to deficiency        | 9    | —      | —      |
| Anticipated reduction of deficiency        | —    | —      | —      |
| Deficiency, end of year                    | -6   | —      | —      |

The 2013 Budget requests \$244 million, an increase of \$13.6 million above the 2012 enacted level. The increase includes \$11 million for rental payments to GSA, a decrease of \$0.327 million for payments to the Department of Homeland Security, and an increase of \$2.7 million to cover operation, maintenance, major and minor repairs in the 2 building D.C. headquarters complex and the George Washington Carver Center in Beltsville, MD. This account has a deficiency due to prior year shortfalls in rental payments incurred between 2004 and 2008. USDA successfully reduced the deficiency from \$24 million to \$6 million in 2011 and anticipates paying off the remainder of the deficiency in 2012.

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

| Identification code 12-0117-0-1-352 | 2011 actual                                          | 2012 est. | 2013 est. |     |
|-------------------------------------|------------------------------------------------------|-----------|-----------|-----|
| <b>Direct obligations:</b>          |                                                      |           |           |     |
| 11.1                                | Personnel compensation: Full-time permanent          | 8         | 8         | 8   |
| 12.1                                | Civilian personnel benefits                          | 2         | 2         | 2   |
| 23.1                                | Rental payments to GSA                               | 167       | 176       | 176 |
| 23.3                                | Communications, utilities, and miscellaneous charges | 11        | 11        | 11  |
| 25.2                                | Other services from non-Federal sources              | 71        | 32        | 34  |
| 25.3                                | Other goods and services from Federal sources        | 13        | 13        | 13  |
| 99.0                                | Direct obligations                                   | 272       | 242       | 244 |
| 99.0                                | Reimbursable obligations                             | 4         | 3         | 3   |
| 99.9                                | Total new obligations                                | 276       | 245       | 247 |

**Employment Summary**

| Identification code 12-0117-0-1-352 | 2011 actual                                     | 2012 est. | 2013 est. |    |
|-------------------------------------|-------------------------------------------------|-----------|-----------|----|
| 1001                                | Direct civilian full-time equivalent employment | 88        | 92        | 92 |

**OFFICE OF COMMUNICATIONS**

*Federal Funds*

OFFICE OF COMMUNICATIONS

For necessary expenses of the Office of Communications, **[\$8,065,000]** \$9,006,000. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)

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

| Identification code 12-0150-0-1-352       | 2011 actual                                            | 2012 est. | 2013 est. |    |
|-------------------------------------------|--------------------------------------------------------|-----------|-----------|----|
| <b>Obligations by program activity:</b>   |                                                        |           |           |    |
| 0001                                      | Public affairs                                         | 9         | 8         | 9  |
| <b>Budgetary Resources:</b>               |                                                        |           |           |    |
| Budget authority:                         |                                                        |           |           |    |
| Appropriations, discretionary:            |                                                        |           |           |    |
| 1100                                      | Appropriation                                          | 9         | 8         | 9  |
| 1160                                      | Appropriation, discretionary (total)                   | 9         | 8         | 9  |
| 1930                                      | Total budgetary resources available                    | 9         | 8         | 9  |
| <b>Change in obligated balance:</b>       |                                                        |           |           |    |
| Obligated balance, start of year (net):   |                                                        |           |           |    |
| 3000                                      | Unpaid obligations, brought forward, Oct 1 (gross)     | 1         |           |    |
| 3010                                      | Uncollected pymts, Fed sources, brought forward, Oct 1 | -1        | -1        | -1 |
| 3020                                      | Obligated balance, start of year (net)                 |           | -1        | -1 |
| 3030                                      | Obligations incurred, unexpired accounts               | 9         | 8         | 9  |
| 3040                                      | Outlays (gross)                                        | -10       | -8        | -9 |
| Obligated balance, end of year (net):     |                                                        |           |           |    |
| 3091                                      | Uncollected pymts, Fed sources, end of year            | -1        | -1        | -1 |
| 3100                                      | Obligated balance, end of year (net)                   | -1        | -1        | -1 |
| <b>Budget authority and outlays, net:</b> |                                                        |           |           |    |
| Discretionary:                            |                                                        |           |           |    |
| 4000                                      | Budget authority, gross                                | 9         | 8         | 9  |
| Outlays, gross:                           |                                                        |           |           |    |
| 4010                                      | Outlays from new discretionary authority               | 9         | 8         | 9  |
| 4011                                      | Outlays from discretionary balances                    | 1         |           |    |
| 4020                                      | Outlays, gross (total)                                 | 10        | 8         | 9  |
| 4180                                      | Budget authority, net (total)                          | 9         | 8         | 9  |
| 4190                                      | Outlays, net (total)                                   | 10        | 8         | 9  |

The mission of the Office of Communications (OC) is to provide leadership, expertise, management and coordination to develop and implement successful communication strategies and products that advance the mission of the USDA and priorities of the government, while serving and engaging the public in a fair, equal, transparent and easily accessible manner. OC delivers information about USDA programs and policies in a consistent, timely fashion. The 2013 Budget requests \$9 million, a slight increase above the 2012 enacted level. The increase will enhance the flexibility and streamline the content management process, allowing OC to further improve customer service through a fully integrated web communication program and provide contractual support for one year to implement the USDA Web Modernization and Migration Initiative.

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

| Identification code 12-0150-0-1-352 | 2011 actual                                 | 2012 est. | 2013 est. |   |
|-------------------------------------|---------------------------------------------|-----------|-----------|---|
| <b>Direct obligations:</b>          |                                             |           |           |   |
| 11.1                                | Personnel compensation: Full-time permanent | 7         | 7         | 7 |
| 12.1                                | Civilian personnel benefits                 | 2         | 1         | 2 |
| 99.9                                | Total new obligations                       | 9         | 8         | 9 |

**Employment Summary**

| Identification code 12-0150-0-1-352 | 2011 actual                                     | 2012 est. | 2013 est. |    |
|-------------------------------------|-------------------------------------------------|-----------|-----------|----|
| 1001                                | Direct civilian full-time equivalent employment | 65        | 61        | 65 |

**OFFICE OF INSPECTOR GENERAL**

*Federal Funds*

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General, including employment pursuant to the Inspector General Act of 1978,

OFFICE OF INSPECTOR GENERAL—Continued

[\$85,621,000] \$89,016,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(9) of the Inspector General Act of 1978, and including not to exceed \$125,000 for certain confidential operational expenses, including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95-452 and section 1337 of Public Law 97-98. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-0900-0-1-352                                 | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                             |             |           |           |
| 0001 Office of the Inspector General .....                          | 97          | 86        | 89        |
| 0801 Reimbursable program .....                                     |             | 3         | 3         |
| 0900 Total new obligations .....                                    | 97          | 89        | 92        |
| <b>Budgetary Resources:</b>                                         |             |           |           |
| Unobligated balance:                                                |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....               | 15          | 11        | 12        |
| 1021 Recoveries of prior year unpaid obligations .....              | 6           |           |           |
| 1050 Unobligated balance (total) .....                              | 21          | 11        | 12        |
| Budget authority:                                                   |             |           |           |
| Appropriations, discretionary:                                      |             |           |           |
| 1100 Appropriation .....                                            | 89          | 86        | 89        |
| 1160 Appropriation, discretionary (total) .....                     | 89          | 86        | 89        |
| Spending authority from offsetting collections, discretionary:      |             |           |           |
| 1700 Collected .....                                                | 4           | 4         | 4         |
| 1701 Change in uncollected payments, Federal sources .....          | -4          |           |           |
| 1750 Spending auth from offsetting collections, disc (total) .....  |             | 4         | 4         |
| 1900 Budget authority (total) .....                                 | 89          | 90        | 93        |
| 1930 Total budgetary resources available .....                      | 110         | 101       | 105       |
| Memorandum (non-add) entries:                                       |             |           |           |
| 1940 Unobligated balance expiring .....                             | -2          |           |           |
| 1941 Unexpired unobligated balance, end of year .....               | 11          | 12        | 13        |
| <b>Change in obligated balance:</b>                                 |             |           |           |
| Obligated balance, start of year (net):                             |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....       | 23          | 13        | 9         |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....   | -8          |           |           |
| 3020 Obligated balance, start of year (net) .....                   | 15          | 13        | 9         |
| 3030 Obligations incurred, unexpired accounts .....                 | 97          | 89        | 92        |
| 3031 Obligations incurred, expired accounts .....                   | 4           |           |           |
| 3040 Outlays (gross) .....                                          | -99         | -93       | -96       |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....      | 4           |           |           |
| 3051 Change in uncollected pymts, Fed sources, expired .....        | 4           |           |           |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....   | -6          |           |           |
| 3081 Recoveries of prior year unpaid obligations, expired .....     | -6          |           |           |
| Obligated balance, end of year (net):                               |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                  | 13          | 9         | 5         |
| 3100 Obligated balance, end of year (net) .....                     | 13          | 9         | 5         |
| <b>Budget authority and outlays, net:</b>                           |             |           |           |
| Discretionary:                                                      |             |           |           |
| 4000 Budget authority, gross .....                                  | 89          | 90        | 93        |
| Outlays, gross:                                                     |             |           |           |
| 4010 Outlays from new discretionary authority .....                 | 83          | 82        | 85        |
| 4011 Outlays from discretionary balances .....                      | 16          | 11        | 11        |
| 4020 Outlays, gross (total) .....                                   | 99          | 93        | 96        |
| Offsets against gross budget authority and outlays:                 |             |           |           |
| Offsetting collections (collected) from:                            |             |           |           |
| 4030 Federal sources .....                                          | -8          | -4        | -4        |
| Additional offsets against gross budget authority only:             |             |           |           |
| 4050 Change in uncollected pymts, Fed sources, unexpired .....      | 4           |           |           |
| 4052 Offsetting collections credited to expired accounts .....      | 4           |           |           |
| 4060 Additional offsets against budget authority only (total) ..... | 8           |           |           |
| 4070 Budget authority, net (discretionary) .....                    | 89          | 86        | 89        |
| 4080 Outlays, net (discretionary) .....                             | 91          | 89        | 92        |
| 4180 Budget authority, net (total) .....                            | 89          | 86        | 89        |
| 4190 Outlays, net (total) .....                                     | 91          | 89        | 92        |

The Office of Inspector General provides the Secretary and Congress with information or intelligence about fraud, other

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

The Budget request of \$89 million is an increase of \$3.4 million above the 2012 enacted level. Increase includes \$0.468 million to support the Council of the Inspectors General on Integrity and Efficiency; \$0.162 million to support Investigator training requirements; and \$2.8 million to support OIG audits and investigations.

Object Classification (in millions of dollars)

| Identification code 12-0900-0-1-352                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                             |             |           |           |
| 11.1 Personnel compensation: Full-time permanent .....          | 58          | 56        | 58        |
| 12.1 Civilian personnel benefits .....                          | 18          | 17        | 19        |
| 21.0 Travel and transportation of persons .....                 | 4           | 4         | 3         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 2           | 2         | 2         |
| 25.2 Other services from non-Federal sources .....              | 4           | 4         | 4         |
| 25.3 Other goods and services from Federal sources .....        | 1           | 1         | 1         |
| 26.0 Supplies and materials .....                               | 1           | 1         | 1         |
| 31.0 Equipment .....                                            | 7           | 1         | 1         |
| 99.0 Direct obligations .....                                   | 95          | 86        | 89        |
| 99.0 Reimbursable obligations .....                             | 2           | 3         | 3         |
| 99.9 Total new obligations .....                                | 97          | 89        | 92        |

Employment Summary

| Identification code 12-0900-0-1-352                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 608         | 577       | 577       |

OFFICE OF THE GENERAL COUNSEL  
Federal Funds

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, [\$39,345,000] \$45,074,000. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-2300-0-1-352                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                            |             |           |           |
| 0001 Office of the General Counsel .....                           | 41          | 39        | 45        |
| 0801 Reimbursable program activity .....                           | 4           | 4         | 4         |
| 0900 Total new obligations .....                                   | 45          | 43        | 49        |
| <b>Budgetary Resources:</b>                                        |             |           |           |
| Budget authority:                                                  |             |           |           |
| Appropriations, discretionary:                                     |             |           |           |
| 1100 Appropriation .....                                           | 41          | 39        | 45        |
| 1160 Appropriation, discretionary (total) .....                    | 41          | 39        | 45        |
| Spending authority from offsetting collections, discretionary:     |             |           |           |
| 1700 Collected .....                                               | 2           | 4         | 4         |
| 1701 Change in uncollected payments, Federal sources .....         | 2           |           |           |
| 1750 Spending auth from offsetting collections, disc (total) ..... | 4           | 4         | 4         |

|      |                                           |    |    |    |
|------|-------------------------------------------|----|----|----|
| 1900 | Budget authority (total) .....            | 45 | 43 | 49 |
| 1930 | Total budgetary resources available ..... | 45 | 43 | 49 |

**Change in obligated balance:**

Obligated balance, start of year (net):

|                                       |                                                              |     |     |     |
|---------------------------------------|--------------------------------------------------------------|-----|-----|-----|
| 3000                                  | Unpaid obligations, brought forward, Oct 1 (gross) .....     | 6   | 5   | 2   |
| 3010                                  | Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -5  | -3  | -3  |
| 3020                                  | Obligated balance, start of year (net) .....                 | 1   | 2   | -1  |
| 3030                                  | Obligations incurred, unexpired accounts .....               | 45  | 43  | 49  |
| 3040                                  | Outlays (gross) .....                                        | -46 | -46 | -49 |
| 3050                                  | Change in uncollected pymts, Fed sources, unexpired .....    | -2  |     |     |
| 3051                                  | Change in uncollected pymts, Fed sources, expired .....      | 4   |     |     |
| Obligated balance, end of year (net): |                                                              |     |     |     |
| 3090                                  | Unpaid obligations, end of year (gross) .....                | 5   | 2   | 2   |
| 3091                                  | Uncollected pymts, Fed sources, end of year .....            | -3  | -3  | -3  |
| 3100                                  | Obligated balance, end of year (net) .....                   | 2   | -1  | -1  |

**Budget authority and outlays, net:**

Discretionary:

|                                                         |                                                                |    |    |    |
|---------------------------------------------------------|----------------------------------------------------------------|----|----|----|
| 4000                                                    | Budget authority, gross .....                                  | 45 | 43 | 49 |
| Outlays, gross:                                         |                                                                |    |    |    |
| 4010                                                    | Outlays from new discretionary authority .....                 | 41 | 41 | 47 |
| 4011                                                    | Outlays from discretionary balances .....                      | 5  | 5  | 2  |
| 4020                                                    | Outlays, gross (total) .....                                   | 46 | 46 | 49 |
| Offsets against gross budget authority and outlays:     |                                                                |    |    |    |
| Offsetting collections (collected) from:                |                                                                |    |    |    |
| 4030                                                    | Federal sources .....                                          | -6 | -4 | -4 |
| Additional offsets against gross budget authority only: |                                                                |    |    |    |
| 4050                                                    | Change in uncollected pymts, Fed sources, unexpired .....      | -2 |    |    |
| 4052                                                    | Offsetting collections credited to expired accounts .....      | 4  |    |    |
| 4060                                                    | Additional offsets against budget authority only (total) ..... | 2  |    |    |
| 4070                                                    | Budget authority, net (discretionary) .....                    | 41 | 39 | 45 |
| 4080                                                    | Outlays, net (discretionary) .....                             | 40 | 42 | 45 |
| 4180                                                    | Budget authority, net (total) .....                            | 41 | 39 | 45 |
| 4190                                                    | Outlays, net (total) .....                                     | 40 | 42 | 45 |

The Office of the General Counsel of the Department of Agriculture provides all legal advice, counsel, and services to the Secretary and to all agencies, offices, and corporations of the Department on all aspects of their operations. It represents the Department in administrative proceedings; nonlitigation debt collection proceedings; State water rights adjudications; proceedings before the Civilian Board of Contract Appeal, the Merit System Protection Board, the Equal Employment Opportunity Commission, the USDA Office of Administrative Law Judges, and other Federal agencies; and, in conjunction with the Department of Justice, in judicial proceedings and litigation in the Federal and State courts. All attorneys and related support personnel devoted to those efforts are under the supervision of the General Counsel. The 2013 Budget requests \$45 million, an increase of \$5.7 million above the 2012 enacted level, to increase staff by 32 FTE to handle an increased workload and for information and telecommunications technology improvements.

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

| Identification code 12-2300-0-1-352 | 2011 actual                                                | 2012 est. | 2013 est. |    |
|-------------------------------------|------------------------------------------------------------|-----------|-----------|----|
| <b>Direct obligations:</b>          |                                                            |           |           |    |
| 11.1                                | Personnel compensation: Full-time permanent .....          | 30        | 30        | 33 |
| 12.1                                | Civilian personnel benefits .....                          | 8         | 8         | 9  |
| 23.3                                | Communications, utilities, and miscellaneous charges ..... | 1         |           | 1  |
| 25.2                                | Other services from non-Federal sources .....              | 1         | 1         | 1  |
| 26.0                                | Supplies and materials .....                               | 1         |           | 1  |
| 99.0                                | Direct obligations .....                                   | 41        | 39        | 45 |
| 99.0                                | Reimbursable obligations .....                             | 4         | 4         | 4  |
| 99.9                                | Total new obligations .....                                | 45        | 43        | 49 |

**Employment Summary**

| Identification code 12-2300-0-1-352 | 2011 actual                                           | 2012 est. | 2013 est. |     |
|-------------------------------------|-------------------------------------------------------|-----------|-----------|-----|
| 1001                                | Direct civilian full-time equivalent employment ..... | 267       | 256       | 288 |

|      |                                                             |    |    |    |
|------|-------------------------------------------------------------|----|----|----|
| 2001 | Reimbursable civilian full-time equivalent employment ..... | 26 | 26 | 26 |
|------|-------------------------------------------------------------|----|----|----|

**ECONOMIC RESEARCH SERVICE**  
*Federal Funds*

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service, **[\$77,723,000] \$77,397,000.** (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)

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

| Identification code 12-1701-0-1-352                            | 2011 actual                                                   | 2012 est. | 2013 est. |    |
|----------------------------------------------------------------|---------------------------------------------------------------|-----------|-----------|----|
| <b>Obligations by program activity:</b>                        |                                                               |           |           |    |
| 0001                                                           | Economic Research Service .....                               | 81        | 78        | 77 |
| 0801                                                           | Reimbursable program activity .....                           | 2         | 1         | 1  |
| 0900                                                           | Total new obligations .....                                   | 83        | 79        | 78 |
| <b>Budgetary Resources:</b>                                    |                                                               |           |           |    |
| Unobligated balance:                                           |                                                               |           |           |    |
| 1000                                                           | Unobligated balance brought forward, Oct 1 .....              | 1         | 1         | 1  |
| Budget authority:                                              |                                                               |           |           |    |
| Appropriations, discretionary:                                 |                                                               |           |           |    |
| 1100                                                           | Appropriation .....                                           | 82        | 78        | 78 |
| 1160                                                           | Appropriation, discretionary (total) .....                    | 82        | 78        | 78 |
| Spending authority from offsetting collections, discretionary: |                                                               |           |           |    |
| 1700                                                           | Collected .....                                               |           | 1         | 1  |
| 1701                                                           | Change in uncollected payments, Federal sources .....         | 2         |           |    |
| 1750                                                           | Spending auth from offsetting collections, disc (total) ..... | 2         | 1         | 1  |
| 1900                                                           | Budget authority (total) .....                                | 84        | 79        | 79 |
| 1930                                                           | Total budgetary resources available .....                     | 85        | 80        | 80 |
| Memorandum (non-add) entries:                                  |                                                               |           |           |    |
| 1940                                                           | Unobligated balance expiring .....                            | -1        |           |    |
| 1941                                                           | Unexpired unobligated balance, end of year .....              | 1         | 1         | 2  |

**Change in obligated balance:**

Obligated balance, start of year (net):

|                                       |                                                              |     |     |     |
|---------------------------------------|--------------------------------------------------------------|-----|-----|-----|
| 3000                                  | Unpaid obligations, brought forward, Oct 1 (gross) .....     | 46  | 41  | 31  |
| 3010                                  | Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -5  | -7  | -7  |
| 3020                                  | Obligated balance, start of year (net) .....                 | 41  | 34  | 24  |
| 3030                                  | Obligations incurred, unexpired accounts .....               | 83  | 79  | 78  |
| 3031                                  | Obligations incurred, expired accounts .....                 | 2   |     |     |
| 3040                                  | Outlays (gross) .....                                        | -88 | -89 | -87 |
| 3050                                  | Change in uncollected pymts, Fed sources, unexpired .....    | -2  |     |     |
| 3081                                  | Recoveries of prior year unpaid obligations, expired .....   | -2  |     |     |
| Obligated balance, end of year (net): |                                                              |     |     |     |
| 3090                                  | Unpaid obligations, end of year (gross) .....                | 41  | 31  | 22  |
| 3091                                  | Uncollected pymts, Fed sources, end of year .....            | -7  | -7  | -7  |
| 3100                                  | Obligated balance, end of year (net) .....                   | 34  | 24  | 15  |

**Budget authority and outlays, net:**

Discretionary:

|                                                         |                                                           |    |    |    |
|---------------------------------------------------------|-----------------------------------------------------------|----|----|----|
| 4000                                                    | Budget authority, gross .....                             | 84 | 79 | 79 |
| Outlays, gross:                                         |                                                           |    |    |    |
| 4010                                                    | Outlays from new discretionary authority .....            | 65 | 64 | 64 |
| 4011                                                    | Outlays from discretionary balances .....                 | 23 | 25 | 23 |
| 4020                                                    | Outlays, gross (total) .....                              | 88 | 89 | 87 |
| Offsets against gross budget authority and outlays:     |                                                           |    |    |    |
| Offsetting collections (collected) from:                |                                                           |    |    |    |
| 4030                                                    | Federal sources .....                                     |    | -1 | -1 |
| Additional offsets against gross budget authority only: |                                                           |    |    |    |
| 4050                                                    | Change in uncollected pymts, Fed sources, unexpired ..... | -2 |    |    |
| 4070                                                    | Budget authority, net (discretionary) .....               | 82 | 78 | 78 |
| 4080                                                    | Outlays, net (discretionary) .....                        | 88 | 88 | 86 |
| 4180                                                    | Budget authority, net (total) .....                       | 82 | 78 | 78 |
| 4190                                                    | Outlays, net (total) .....                                | 88 | 88 | 86 |

The Economic Research Service provides economic and other social science research and analysis to inform public and private decision making on agriculture, food, natural resources, and rural America. The Agency's mission is to anticipate food, agricultural, agri-environmental, and rural development issues that are on the horizon, and to conduct sound, peer-reviewed economic

## ECONOMIC RESEARCH SERVICE—Continued

research. ERS is also the primary source of statistical indicators that, among other things, gauge the health of the farm sector (including farm income estimates and projections), assess the current and expected performance of the agricultural sector (including trade), and provide measures of food security here and abroad. Most of the Agency's research is conducted by a highly-trained staff of economists and social scientists through an intramural program of research, market outlook, and analysis.

Five principles characterize ERS' core program: 1) Research that builds on unique or confidential data sources at the Federal level and is inherent in the role of a Federal Statistical Agency, including the Agricultural Resource Management Survey and associated farm and farm household finance estimates and research, consumer data, and development of USDA's commodity market outlook; 2) Research that provides coordination for a national perspective or framework, setting a single standard; 3) Research that requires a sustained investment and large teams; 4) Research that directly services the U.S. Government or USDA's long-term national goals such as the cost to the economy of sickness and premature death due to foodborne illnesses for FSIS, rural definition analysis for Rural Development, and conservation program options for the Farm Service Agency and Natural Resources Conservation Service; and 5) Research that addresses questions with short-run payoff or has immediate policy implications.

ERS draws on the expertise of external collaborators through grants and cooperative research agreements for issues that require expertise beyond the scope of the current program or that require knowledge of state or regional issues. Areas of research that are supported by extramural agreements include: 1) Analyses requested by the Congress and USDA program agencies on high priority topics including food deserts, potential market and environmental effects of feedstocks for advanced biofuels, and local food marketing channels; 2) The Food Assistance and Nutrition Research Program (FANRP), which funds economic research on USDA's domestic food and nutrition assistance programs, including major research themes of diet and nutritional outcomes, food program targeting and delivery, and program dynamics and administration; 3) The Economics of Markets for Agricultural Greenhouse Gases (EMAGG), which funds economic research in three broad areas related to U.S. agricultural participation in proposed greenhouse gas markets that apply directly to participation in all markets for environmental services; and 4) The Program of Research on the Economics of Invasive Species Management (PREISM), which funds extramural research to support the economic basis of decision making concerning invasive species issues, policies, and programs.

The 2013 budget request of \$77,397,000 is slightly less than the 2012 enacted budget level for ERS, and funds ERS' core programs. Additional funds received from other Governmental agencies may also be available for support of economic research and analysis.

## Object Classification (in millions of dollars)

| Identification code 12-1701-0-1-352                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| <b>Personnel compensation:</b>                                  |             |           |           |
| 11.1 Full-time permanent .....                                  | 42          | 39        | 39        |
| 11.3 Other than full-time permanent .....                       | 1           | 1         | 1         |
| 11.5 Other personnel compensation .....                         | 1           | 1         | 1         |
| 11.9 Total personnel compensation .....                         | 44          | 41        | 41        |
| 12.1 Civilian personnel benefits .....                          | 9           | 10        | 10        |
| 21.0 Travel and transportation of persons .....                 | 1           | 1         | 1         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....              | 4           | 4         | 4         |

|      |                                                     |    |    |    |
|------|-----------------------------------------------------|----|----|----|
| 25.3 | Other goods and services from Federal sources ..... | 14 | 14 | 13 |
| 25.5 | Research and development contracts .....            | 5  | 5  | 5  |
| 26.0 | Supplies and materials .....                        | 2  | 1  | 1  |
| 41.0 | Grants, subsidies, and contributions .....          | 1  | 1  | 1  |
| 99.0 | Direct obligations .....                            | 81 | 78 | 77 |
| 99.0 | Reimbursable obligations .....                      | 2  | 1  | 1  |
| 99.9 | Total new obligations .....                         | 83 | 79 | 78 |

## Employment Summary

| Identification code 12-1701-0-1-352                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 401         | 385       | 385       |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 1           | 1         | 1         |

## NATIONAL AGRICULTURAL STATISTICS SERVICE

### Federal Funds

## NATIONAL AGRICULTURAL STATISTICS SERVICE

For necessary expenses of the National Agricultural Statistics Service, **[\$158,616,000] \$179,477,000**, of which up to **[\$41,639,000] \$62,500,000** shall be available until expended for the Census of Agriculture. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

## Program and Financing (in millions of dollars)

| Identification code 12-1801-0-1-352                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                            |             |           |           |
| 0001 Agricultural estimates .....                                  | 116         | 110       | 109       |
| 0002 Statistical research and service .....                        | 7           | 7         | 7         |
| 0003 Census of agriculture .....                                   | 45          | 42        | 63        |
| 0799 Total direct obligations .....                                | 168         | 159       | 179       |
| 0801 Reimbursable program .....                                    | 26          | 22        | 22        |
| 0900 Total new obligations .....                                   | 194         | 181       | 201       |
| <b>Budgetary Resources:</b>                                        |             |           |           |
| Unobligated balance:                                               |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....              | 8           |           |           |
| 1021 Recoveries of prior year unpaid obligations .....             | 4           |           |           |
| 1050 Unobligated balance (total) .....                             | 12          |           |           |
| Budget authority:                                                  |             |           |           |
| Appropriations, discretionary:                                     |             |           |           |
| 1100 Appropriation .....                                           | 157         | 159       | 179       |
| 1120 Transferred to other accounts [12-1801] .....                 | -33         | -42       | -63       |
| 1121 Transferred from other accounts [12-1801] .....               | 33          | 42        | 63        |
| 1160 Appropriation, discretionary (total) .....                    | 157         | 159       | 179       |
| Spending authority from offsetting collections, discretionary:     |             |           |           |
| 1700 Collected .....                                               | 23          | 22        | 22        |
| 1701 Change in uncollected payments, Federal sources .....         | 2           |           |           |
| 1750 Spending auth from offsetting collections, disc (total) ..... | 25          | 22        | 22        |
| 1900 Budget authority (total) .....                                | 182         | 181       | 201       |
| 1930 Total budgetary resources available .....                     | 194         | 181       | 201       |
| <b>Change in obligated balance:</b>                                |             |           |           |
| Obligated balance, start of year (net):                            |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....      | 33          | 44        | 20        |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....  | -10         | -7        | -7        |
| 3020 Obligated balance, start of year (net) .....                  | 23          | 37        | 13        |
| 3030 Obligations incurred, unexpired accounts .....                | 194         | 181       | 201       |
| 3031 Obligations incurred, expired accounts .....                  | 10          |           |           |
| 3040 Outlays (gross) .....                                         | -187        | -205      | -200      |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....     | -2          |           |           |
| 3051 Change in uncollected pymts, Fed sources, expired .....       | 5           |           |           |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....  | -4          |           |           |
| 3081 Recoveries of prior year unpaid obligations, expired .....    | -2          |           |           |
| Obligated balance, end of year (net):                              |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                 | 44          | 20        | 21        |
| 3091 Uncollected pymts, Fed sources, end of year .....             | -7          | -7        | -7        |
| 3100 Obligated balance, end of year (net) .....                    | 37          | 13        | 14        |

| Budget authority and outlays, net:                      |                                                                 |     |     |     |
|---------------------------------------------------------|-----------------------------------------------------------------|-----|-----|-----|
| Discretionary:                                          |                                                                 |     |     |     |
| 4000                                                    | Budget authority, gross .....                                   | 182 | 181 | 201 |
| Outlays, gross:                                         |                                                                 |     |     |     |
| 4010                                                    | Outlays from new discretionary authority .....                  | 145 | 164 | 181 |
| 4011                                                    | Outlays from discretionary balances .....                       | 42  | 41  | 19  |
| 4020                                                    | Outlays, gross (total) .....                                    | 187 | 205 | 200 |
| Offsets against gross budget authority and outlays:     |                                                                 |     |     |     |
| Offsetting collections (collected) from:                |                                                                 |     |     |     |
| 4030                                                    | Federal sources .....                                           | -37 | -20 | -20 |
| 4033                                                    | Non-Federal sources .....                                       | -4  | -2  | -2  |
| 4040                                                    | Offsets against gross budget authority and outlays (total) .... | -41 | -22 | -22 |
| Additional offsets against gross budget authority only: |                                                                 |     |     |     |
| 4050                                                    | Change in uncollected pymts, Fed sources, unexpired .....       | -2  |     |     |
| 4052                                                    | Offsetting collections credited to expired accounts .....       | 18  |     |     |
| 4060                                                    | Additional offsets against budget authority only (total) .....  | 16  |     |     |
| 4070                                                    | Budget authority, net (discretionary) .....                     | 157 | 159 | 179 |
| 4080                                                    | Outlays, net (discretionary) .....                              | 146 | 183 | 178 |
| 4180                                                    | Budget authority, net (total) .....                             | 157 | 159 | 179 |
| 4190                                                    | Outlays, net (total) .....                                      | 146 | 183 | 178 |

The National Agricultural Statistics Service (NASS) provides the official National and State estimates of acreage, yield, and production of crops, stocks, value and expenditures associated with farm commodities, and inventory, values, and expenditures of livestock items. Data on approximately 120 crops and 45 livestock products are covered in over 500 reports issued each year. In addition, the Census of Agriculture, which is conducted every five years, provides comprehensive data on the Nation's agricultural industry down to the county level.

*Agricultural Estimates.*—The work under this activity is conducted through 46 field offices serving the 50 States and Puerto Rico; most of these offices are operated as joint State and Federal services. Cooperative arrangements with State agencies provide additional State and county data. In order to support Administration priorities and improve efficiency, NASS has carefully completed a comprehensive review of existing programs to determine which programs are most critical to serving agency goals, with evaluations based on the following priorities: 1) Principal Economic Indicator data; 2) data which directly impact the market; 3) data necessary to implement the USDA programs which provide payments to farmers and are used to administer the farm safety net for producers; and 4) data for which there are no other publicly available sources of information. NASS has achieved success through several efficiencies: 1) completing the installation of equipment for and migration of the agency to the Centralized Local Area Network servers; 2) redesigning systems to work in a centralized virtual environment to enhance standardization and efficiency; 3) opening the National Operations Center to provide an infrastructure for increased telephone data collection capacity in a centralized environment, to centrally locate sampling frame activities and experts, and to improve training of telephone and field interviewers through focused and deliberate delivery of a standardized training protocol; 4) designing an innovative client computer assisted Personal Interviewing solution to facilitate quality and efficiency increases in our data collection program; 5) completing its second 48 state Cropland Data Layer in 2011 for the 2010 crop year with higher resolution, improving the accuracy of the classifications and the precision of the acreage estimates generated; and 6) installing video conferencing capabilities in its headquarters and field office locations, facilitating travel savings.

*Census of Agriculture.*—The Census of Agriculture is conducted every five years to take a snapshot of America's agriculture. The Census helps to measure trends and new developments in the agricultural sector of our Nation's economy. The Census is critical because it provides the only source of comparable and consistent

detailed data about agriculture at the county level. NASS carefully reviewed existing programs to improve efficiency. The 2013 Budget request includes an increase to reflect the normal activity levels related to the cyclical nature of the 5-year Census of Agriculture program. 2013 represents the highest level of funding during the Census' five year cycle. Funding will be used to conduct peak data collection activities and processing for the Census of Agriculture. The additional funding is necessary for significant increases in data collection costs. In order to achieve an acceptable level of response in every county, or county equivalent, in the United States, NASS will conduct extensive phone follow-up to mail and web non-respondents. Additionally, NASS will conduct personal interviews for a small group of farmers and ranchers whose operations are critical because of their size or type of specialized agriculture production. NASS will also use field enumeration to collect information from minority and disadvantaged populations, such as American Indians and Hispanic producers. Historically, these groups have been hard to reach and under-represented in the Census.

The 2013 request of \$179,477,000 for NASS includes \$62.5 million for the Census of Agriculture, is an increase of \$20,861,000 over 2012 for cyclical needs for data collection including follow up contacts by phone or in person, and for data processing. Funding for ongoing programs in Agricultural Estimates, which will continue at the 2012 level of about \$117 million, includes an increase of \$3.4 million to improve the quality of survey data, offset by \$3.4 million in savings due to improved efficiency.

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

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

| Identification code 12-1801-0-1-352 | 2011 actual                                                | 2012 est. | 2013 est. |     |
|-------------------------------------|------------------------------------------------------------|-----------|-----------|-----|
| Direct obligations:                 |                                                            |           |           |     |
| Personnel compensation:             |                                                            |           |           |     |
| 11.1                                | Full-time permanent .....                                  | 72        | 74        | 80  |
| 11.3                                | Other than full-time permanent .....                       | 1         | 1         | 1   |
| 11.5                                | Other personnel compensation .....                         | 1         | 1         | 1   |
| 11.9                                | Total personnel compensation .....                         | 74        | 76        | 82  |
| 12.1                                | Civilian personnel benefits .....                          | 24        | 27        | 26  |
| 21.0                                | Travel and transportation of persons .....                 | 7         | 3         | 4   |
| 22.0                                | Transportation of things .....                             | 1         | 1         | 1   |
| 23.3                                | Communications, utilities, and miscellaneous charges ..... | 4         | 4         | 5   |
| 24.0                                | Printing and reproduction .....                            |           | 1         | 1   |
| 25.2                                | Other services from non-Federal sources .....              | 35        | 28        | 34  |
| 25.3                                | Other goods and services from Federal sources .....        | 17        | 14        | 20  |
| 25.7                                | Operation and maintenance of equipment .....               | 1         | 1         | 1   |
| 26.0                                | Supplies and materials .....                               | 1         | 1         | 1   |
| 31.0                                | Equipment .....                                            | 4         | 3         | 4   |
| 99.0                                | Direct obligations .....                                   | 168       | 159       | 179 |
| 99.0                                | Reimbursable obligations .....                             | 26        | 22        | 22  |
| 99.9                                | Total new obligations .....                                | 194       | 181       | 201 |

**Employment Summary**

| Identification code 12-1801-0-1-352 | 2011 actual                                                 | 2012 est. | 2013 est. |       |
|-------------------------------------|-------------------------------------------------------------|-----------|-----------|-------|
| 1001                                | Direct civilian full-time equivalent employment .....       | 979       | 1,104     | 1,365 |
| 2001                                | Reimbursable civilian full-time equivalent employment ..... | 106       | 106       | 106   |

**AGRICULTURAL RESEARCH SERVICE**

**Federal Funds**

**SALARIES AND EXPENSES**

For necessary expenses of the Agricultural Research Service and for acquisition of lands by donation, exchange, or purchase at a nominal cost

SALARIES AND EXPENSES—Continued

not to exceed \$100, and for land exchanges where the lands exchanged shall be of equal value or shall be equalized by a payment of money to the grantor which shall not exceed 25 percent of the total value of the land or interests transferred out of Federal ownership, **[\$1,094,647,000]** **\$1,102,565,000**: *Provided*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building shall not exceed \$375,000, except for headhouses or greenhouses which shall each be limited to \$1,200,000, and except for 10 buildings to be constructed or improved at a cost not to exceed \$750,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building or \$375,000, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: *Provided further*, That appropriations hereunder shall be available for granting easements at the Beltsville Agricultural Research Center: *Provided further*, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further*, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-1400-0-1-352                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                            |             |           |           |
| 0001 Product quality/value added .....                             | 105         | 101       | 93        |
| 0002 Livestock production .....                                    | 81          | 76        | 71        |
| 0003 Crop production .....                                         | 232         | 229       | 229       |
| 0004 Food safety .....                                             | 97          | 96        | 98        |
| 0005 Livestock protection .....                                    | 62          | 59        | 61        |
| 0006 Crop protection .....                                         | 194         | 185       | 175       |
| 0007 Human nutrition research .....                                | 85          | 85        | 84        |
| 0008 Environmental stewardship .....                               | 200         | 189       | 214       |
| 0009 National Agricultural Library .....                           | 22          | 21        | 21        |
| 0010 Repair and maintenance of facilities .....                    | 18          | 18        | 21        |
| 0012 Homeland security .....                                       | 36          | 36        | 36        |
| 0014 Miscellaneous Fees/Supplementals .....                        | 1           | 6         | .....     |
| 0799 Total direct obligations .....                                | 1,133       | 1,101     | 1,103     |
| 0881 Reimbursable program activity .....                           | 125         | 125       | 125       |
| 0889 Reimbursable program activities, subtotal .....               | 125         | 125       | 125       |
| 0900 Total new obligations .....                                   | 1,258       | 1,226     | 1,228     |
| <b>Budgetary Resources:</b>                                        |             |           |           |
| Unobligated balance:                                               |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....              | 5           | 6         | 2         |
| 1021 Recoveries of prior year unpaid obligations .....             | 1           | .....     | .....     |
| 1050 Unobligated balance (total) .....                             | 6           | 6         | 2         |
| Budget authority:                                                  |             |           |           |
| Appropriations, discretionary:                                     |             |           |           |
| 1100 Appropriation .....                                           | 1,135       | 1,095     | 1,103     |
| 1130 Appropriations permanently reduced .....                      | -2          | .....     | .....     |
| 1160 Appropriation, discretionary (total) .....                    | 1,133       | 1,095     | 1,103     |
| Spending authority from offsetting collections, discretionary:     |             |           |           |
| 1700 Collected .....                                               | 29          | 127       | 127       |
| 1701 Change in uncollected payments, Federal sources .....         | 98          | .....     | .....     |
| 1750 Spending auth from offsetting collections, disc (total) ..... | 127         | 127       | 127       |
| 1900 Budget authority (total) .....                                | 1,260       | 1,222     | 1,230     |
| 1930 Total budgetary resources available .....                     | 1,266       | 1,228     | 1,232     |
| Memorandum (non-add) entries:                                      |             |           |           |
| 1940 Unobligated balance expiring .....                            | -2          | .....     | .....     |
| 1941 Unexpired unobligated balance, end of year .....              | 6           | 2         | 4         |
| <b>Change in obligated balance:</b>                                |             |           |           |
| Obligated balance, start of year (net):                            |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....      | 409         | 405       | 358       |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....  | -141        | -153      | -153      |
| 3020 Obligated balance, start of year (net) .....                  | 268         | 252       | 205       |

|                                                                     |        |        |        |
|---------------------------------------------------------------------|--------|--------|--------|
| 3030 Obligations incurred, unexpired accounts .....                 | 1,258  | 1,226  | 1,228  |
| 3031 Obligations incurred, expired accounts .....                   | 23     | .....  | .....  |
| 3040 Outlays (gross) .....                                          | -1,265 | -1,273 | -1,262 |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....      | -98    | .....  | .....  |
| 3051 Change in uncollected pymts, Fed sources, expired .....        | 86     | .....  | .....  |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....   | -1     | .....  | .....  |
| 3081 Recoveries of prior year unpaid obligations, expired .....     | -19    | .....  | .....  |
| Obligated balance, end of year (net):                               |        |        |        |
| 3090 Unpaid obligations, end of year (gross) .....                  | 405    | 358    | 324    |
| 3091 Uncollected pymts, Fed sources, end of year .....              | -153   | -153   | -153   |
| 3100 Obligated balance, end of year (net) .....                     | 252    | 205    | 171    |
| <b>Budget authority and outlays, net:</b>                           |        |        |        |
| Discretionary:                                                      |        |        |        |
| 4000 Budget authority, gross .....                                  | 1,260  | 1,222  | 1,230  |
| Outlays, gross:                                                     |        |        |        |
| 4010 Outlays from new discretionary authority .....                 | 986    | 927    | 934    |
| 4011 Outlays from discretionary balances .....                      | 279    | 346    | 328    |
| 4020 Outlays, gross (total) .....                                   | 1,265  | 1,273  | 1,262  |
| Offsets against gross budget authority and outlays:                 |        |        |        |
| Offsetting collections (collected) from:                            |        |        |        |
| 4030 Federal sources .....                                          | -79    | -103   | -103   |
| 4033 Non-Federal sources .....                                      | -24    | -24    | -24    |
| 4040 Offsets against gross budget authority and outlays (total) ... | -103   | -127   | -127   |
| Additional offsets against gross budget authority only:             |        |        |        |
| 4050 Change in uncollected pymts, Fed sources, unexpired .....      | -98    | .....  | .....  |
| 4052 Offsetting collections credited to expired accounts .....      | 74     | .....  | .....  |
| 4060 Additional offsets against budget authority only (total) ..... | -24    | .....  | .....  |
| 4070 Budget authority, net (discretionary) .....                    | 1,133  | 1,095  | 1,103  |
| 4080 Outlays, net (discretionary) .....                             | 1,162  | 1,146  | 1,135  |
| 4180 Budget authority, net (total) .....                            | 1,133  | 1,095  | 1,103  |
| 4190 Outlays, net (total) .....                                     | 1,162  | 1,146  | 1,135  |

The Agricultural Research Service (ARS) is the principal in-house research agency of the U.S. Department of Agriculture (USDA). The ARS mission is to conduct research to develop and transfer solutions to agricultural problems of high national priority and to provide information access and dissemination to: ensure high-quality, safe food, and other agricultural products; assess the nutritional needs of Americans; sustain a competitive agricultural economy; enhance the natural resource base and the environment; and provide economic opportunities for rural citizens, communities, and society as a whole. The ARS' mission is carried out through its major research program areas and other activities listed below (in italics).

ARS major research programs—New Products/Product Quality/Value Added; Livestock/Crop Production; Food Safety; Livestock/Crop Protection; Human Nutrition; and Environmental Stewardship—address the Department's priorities.

ARS' 2013 Salaries and Expenses budget requests \$1,102.6 million, including high priority increases of \$75.4 million for new and expanded research initiatives in environmental stewardship; animal/crop breeding and protection; food safety; child and human nutrition; and the National Agricultural Library, as well as salary increases. In addition, the agency is requesting an increase of \$3 million for the repair and maintenance of its laboratories/facilities.

Offsetting ARS' requested increases are \$70.5 million in proposed decreases from lower priority projects. The proposed reductions will provide necessary funding for the critical research priorities proposed by the agency for 2013.

*New Products / Product Quality / Value Added.*—ARS has active research programs directed toward 1) improving the efficiency and reducing the cost for the conversion of agricultural products into biobased products and biofuels, 2) developing new and improved products to help establish them in domestic and foreign markets, and 3) providing higher quality, healthy foods that satisfy consumer needs in the United States and abroad.

*Environmental Stewardship—Water Quality; Air / Soil Quality; Global Climate Change; Range / Grazing Lands; Agricultural*

*Systems Integration.*—ARS research programs in environmental stewardship support scientists in approximately 70 locations. Emphasis is given to developing technologies and systems that support profitable production and enhance the Nation's vast renewable natural resource base. ARS is currently developing the scientific knowledge and technologies needed to meet the challenges and opportunities facing U.S. agriculture in managing water resource quality and quantity under different climatic regimes, production systems, and environmental conditions. ARS air resources research is developing measurement, prediction, and control technologies for emissions of greenhouse gases, particulate matter, ammonia, hydrogen sulfide, and volatile organic compounds affecting air quality and land surface climate interactions. The agency is a leader in developing measurement and modeling techniques for characterizing gaseous and particulate matter emissions from agriculture. In addition, ARS is evaluating strategies for enhancing the health and productivity of soils, including developing predictive tools to assess the sustainability of alternative land management practices. Finding mechanisms to aid agriculture in adapting to changes in atmospheric composition and climatic variations is also an important component of ARS research. ARS range and grazing land research includes the conservation and restoration of the Nation's range land and pasture ecosystems and agroecosystems through improved management of fire, invasive weeds, grazing, global change, and other agents of ecological change. The agency is currently developing improved grass and forage legume germplasm for livestock, conservation, bioenergy, and bioproduct systems as well as grazing-based livestock systems that reduce risk and increase profitability. In addition, ARS is developing whole system management strategies to reduce production costs and risks. The 2013 Budget proposes increases to enhance the productivity of crop land; develop conservation practices that improve water and soil quality; enhance the quantity/quality of water resources; sustain agricultural production capacity over long periods at landscape scales; and adapt agricultural systems to climate variability and weather extremes.

*Livestock Production.*—ARS' livestock production program is directed toward: 1) safeguarding and utilizing animal genetic resources, associated genetic and genomic databases, and bioinformatic tools; 2) developing a basic understanding of the physiology of livestock and poultry; and 3) developing information, tools, and technologies that can be used to improve animal production systems. The research is heavily focused on the development and application of genomics technologies to increase the efficiency and product quality of beef, dairy, swine, poultry, aquaculture, and sheep systems. Current areas of emphasis include increasing efficiency of nutrient utilization, increasing animal well-being and reducing stress in production systems, increasing reproductive rates and breeding animal longevity, developing and evaluating non-traditional production systems (e.g., organic, natural), and evaluating and conserving animal genetic resources. The 2013 Budget proposes increases to develop integrated production systems that incorporate enhanced germplasm and pest/pathogen/water/nutrient management strategies to improve production efficiencies and product quality in farm animals.

*Crop Production.*—ARS' crop production program focuses on developing and improving ways to reduce crop losses while protecting and ensuring a safe and affordable food supply. The research program concentrates on effective production strategies that are environmentally friendly, safe to consumers, and compatible with sustainable and profitable crop production systems. Research activities are directed at safeguarding and utilizing

plant genetic resources and their associated genetic, genomic, and bioinformatic databases that facilitate selection of varieties and/or germplasm with significantly improved traits. Current research activities attempt to minimize the impacts of crop pests while maintaining healthy crops and safe commodities that can be sold in markets throughout the world. ARS is conducting research to discover and exploit naturally occurring and engineered genetic mechanisms for plant pest control, develop agronomic germplasm with durable defensive traits, and transfer genetic resources for commercial use. ARS provides taxonomic information on invasive species that strengthens prevention techniques, aids in detection/identification of invasive pests, and increases control through management tactics that restore habitats and biological diversity. The 2013 Budget proposes increases to enhance floral and nursery crop research and crop genetic resources to underpin food security.

*Livestock Protection.*—ARS' animal health program is directed at protecting and ensuring the safety of the Nation's agriculture and food supply through improved disease detection, prevention, control, and treatment. Basic and applied research approaches are used to solve animal health problems of high national priority. Emphasis is given to methods and procedures to control animal diseases. The research program has ten strategic objectives: 1) establish ARS laboratories into a fluid, highly effective research network to maximize use of core competencies and resources; 2) access specialized high containment facilities to study zoonotic and emerging diseases; 3) develop an integrated animal and microbial genomics research program; 4) establish centers of excellence in animal immunology; 5) launch a biotherapeutic discovery program providing alternatives to animal drugs; 6) build a technology driven vaccine and diagnostic discovery research program; 7) develop core competencies in field epidemiology and predictive biology; 8) develop internationally recognized expert collaborative research laboratories; 9) establish a best-in-class training center for our Nation's veterinarians and scientists; and 10) develop a model technology transfer program to achieve the full impact of ARS research discoveries. ARS current animal research program includes eight core components: 1) biodefense research, 2) animal genomics and immunology, 3) zoonotic diseases, 4) respiratory disease, 5) reproductive and neonatal diseases, 6) enteric diseases, 7) parasitic diseases, and 8) transmissible spongiform encephalopathies. The 2013 Budget proposes increases to develop countermeasures and alternatives to antibiotics to prevent/treat pathogens affecting poultry and emerging diseases affecting farm animals.

*Crop Protection.*—ARS' research on crop protection is directed toward epidemiological investigations to understand pest and disease transmission mechanisms, and to identify and apply new technologies that increase understanding of virulence factors and host defense mechanisms. Currently, ARS research priorities include: 1) identification of genes that convey virulence traits in pathogens and pests; 2) factors that modulate infectivity, gene functions, and mechanisms; 3) genetic profiles that provide specified levels of disease and insect resistance under field conditions; and 4) mechanisms that facilitate the spread of pests and infectious diseases. ARS is developing new knowledge and integrated pest management approaches to control pest and disease outbreaks as they occur. Its research will improve the knowledge and understanding of the ecology, physiology, epidemiology, and molecular biology of emerging diseases and pests. This knowledge will be incorporated into pest risk assessments and management strategies to minimize chemical inputs and increase production. Strategies and approaches will be available to producers to control emerging crop diseases and pest outbreaks. The 2013 Budget

SALARIES AND EXPENSES—Continued

proposes increases to research soil microbial ecology and develop plant disease management strategies; enhance control of invasive pests (i.e. weeds, arthropod pests, etc.); protection of small fruit and nursery crops/potatoes/wheat from disease; and fungal disease protection in beans, sunflowers, and other crops.

**Food Safety.**—Assuring that the United States has the highest levels of affordable, safe food requires that the food system be protected at each stage from production through processing and consumption from pathogens, toxins, and chemical contaminants that cause diseases in humans. The U.S. food supply is very diverse, extensive, easily accessible, and thus vulnerable to the introduction of biological and chemical contaminants through natural processes, intentional means, or by global commerce. ARS' current food safety research is designed to yield science-based knowledge on the safe production, storage, processing, and handling of plant and animal products, and on the detection and control of toxin producing and/or pathogenic bacteria and fungi, parasites, chemical contaminants, and plant toxins. All of ARS' research activities involve a high degree of cooperation and collaboration with USDA's Research, Education, and Economics agencies, as well as with FSIS, APHIS, FDA, CDC, DHS, and the EPA. ARS also collaborates in international research programs to address and resolve global food safety issues. Specific research efforts are directed toward developing new technologies that assist ARS stakeholders and customers, that is, regulatory agencies, industry, and commodity and consumer organizations, in detecting, identifying, and controlling foodborne diseases that affect human health. The 2013 Budget proposes increases to identify and evaluate specific intervention strategies through the food production chain and expand research on antibiotic resistance.

**Human Nutrition.**—Maintenance of health throughout the lifespan along with prevention of obesity and chronic diseases via food-based recommendations are the major emphases of ARS human nutrition research program. These health-related goals are based on the knowledge that deficiency diseases are no longer important public health concerns. Excessive consumption has become the primary nutrition problem in the American population. This is reflected by increased emphasis on prevention of obesity from basic science through intervention studies to assessments of large populations. ARS' research program also actively studies bioactive components of foods that have no known requirement but have health promoting activities. Four specific areas of research are currently emphasized: 1) nutrition monitoring and the food supply, e.g., a national diet survey and the food composition databank; 2) dietary guidance for health promotion and disease prevention, i.e., specific foods, nutrients, and dietary patterns that maintain health and prevent disease; 3) prevention of obesity and related diseases, including research as to why so few of the population follow the Dietary Guidelines for Americans; and 4) life stage nutrition and metabolism, in order to better define the role of nutrition in pregnancy and growth of children, and for healthier aging. The 2013 Budget proposes increases to add "functionality" to the Food Composition Database and link USDA/ARS food consumption survey data with Federal dietary policy guidance.

**Library and Information Services (NAL).**—The National Agricultural Library (NAL) is the largest and most accessible agricultural research library in the world. It provides services directly to the staff of USDA and to the public, primarily via the NAL web site, <http://www.nal.usda.gov>. NAL was created with the USDA in 1862 and was named in 1962 a national library by Congress, as the primary agricultural information resource of

the United States. NAL is the premier library for collecting, managing, and disseminating agricultural knowledge. The Library is the repository of our Nation's agricultural heritage, the provider of world class information, and the wellspring for generating new fundamental knowledge and advancing scientific discovery. It is a priceless national resource that, through its services, programs, information products, and web-based tools and technologies, serves anyone who needs agricultural information. The Library's vision is "advancing access to global information for agriculture." The 2013 Budget proposes increases to develop unified accessible sources of databases (e.g. on carbon sequestration and greenhouse gas emissions, conservation program benefits, etc.).

**Repair and Maintenance of Facilities.**—Funds are used to restore, upgrade, and maintain ARS' facilities to meet Occupational Safety and Health Administration and EPA requirements, provide suitable workspace for in-house research programs, and to retrofit existing structures for better energy utilization. The 2013 Budget proposes increases to address and reduce the backlog of needed facilities' repair and maintenance.

**Reimbursements.**—ARS performs research activities and services for other USDA, Federal, and non-Federal agencies. These activities and services are paid for on a reimbursable basis.

Object Classification (in millions of dollars)

| Identification code 12-1400-0-1-352                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| <b>Personnel compensation:</b>                                  |             |           |           |
| 11.1 Full-time permanent .....                                  | 538         | 526       | 528       |
| 11.3 Other than full-time permanent .....                       | 11          | 11        | 11        |
| 11.5 Other personnel compensation .....                         | 16          | 15        | 15        |
| 11.9 Total personnel compensation .....                         | 565         | 552       | 554       |
| 12.1 Civilian personnel benefits .....                          | 173         | 170       | 170       |
| 21.0 Travel and transportation of persons .....                 | 13          | 20        | 13        |
| 22.0 Transportation of things .....                             | 1           | 1         | 1         |
| 23.2 Rental payments to others .....                            | 1           | 1         | 1         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 46          | 43        | 42        |
| 24.0 Printing and reproduction .....                            | 1           | 1         | 1         |
| 25.1 Advisory and assistance services .....                     | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....              | 9           | 8         | 9         |
| 25.4 Operation and maintenance of facilities .....              | 38          | 34        | 34        |
| 25.5 Research and development contracts .....                   | 148         | 139       | 149       |
| 25.6 Medical care .....                                         | 1           | 1         | 1         |
| 25.7 Operation and maintenance of equipment .....               | 15          | 17        | 14        |
| 26.0 Supplies and materials .....                               | 75          | 69        | 69        |
| 31.0 Equipment .....                                            | 29          | 27        | 26        |
| 32.0 Land and structures .....                                  | 5           | 5         | 5         |
| 41.0 Grants, subsidies, and contributions .....                 | 13          | 12        | 13        |
| 99.0 Direct obligations .....                                   | 1,133       | 1,101     | 1,103     |
| 99.0 Reimbursable obligations .....                             | 125         | 125       | 125       |
| 99.9 Total new obligations .....                                | 1,258       | 1,226     | 1,228     |

Employment Summary

| Identification code 12-1400-0-1-352                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 7,529       | 7,294     | 7,294     |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 498         | 498       | 498       |

BUILDINGS AND FACILITIES

Program and Financing (in millions of dollars)

| Identification code 12-1401-0-1-352                   | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>               |             |           |           |
| 0001 Building and facilities projects .....           | 19          | 7         | 2         |
| <b>Budgetary Resources:</b>                           |             |           |           |
| <b>Unobligated balance:</b>                           |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 ..... | 258         | 9         | 2         |



|                                |                                                                 |      |     |
|--------------------------------|-----------------------------------------------------------------|------|-----|
| Budget authority:              |                                                                 |      |     |
| Appropriations, discretionary: |                                                                 |      |     |
| 1131                           | Unobligated balance of appropriations permanently reduced ..... | -230 |     |
| 1160                           | Appropriation, discretionary (total) .....                      | -230 |     |
| 1930                           | Total budgetary resources available .....                       | 28   | 9 2 |
| Memorandum (non-add) entries:  |                                                                 |      |     |
| 1941                           | Unexpired unobligated balance, end of year .....                | 9    | 2   |

|                                         |                                                          |      |         |
|-----------------------------------------|----------------------------------------------------------|------|---------|
| <b>Change in obligated balance:</b>     |                                                          |      |         |
| Obligated balance, start of year (net): |                                                          |      |         |
| 3000                                    | Unpaid obligations, brought forward, Oct 1 (gross) ..... | 162  | 83 26   |
| 3030                                    | Obligations incurred, unexpired accounts .....           | 19   | 7 2     |
| 3031                                    | Obligations incurred, expired accounts .....             | 4    |         |
| 3040                                    | Outlays (gross) .....                                    | -102 | -64 -13 |
| Obligated balance, end of year (net):   |                                                          |      |         |
| 3090                                    | Unpaid obligations, end of year (gross) .....            | 83   | 26 15   |
| 3100                                    | Obligated balance, end of year (net) .....               | 83   | 26 15   |

|                                           |                                           |      |       |
|-------------------------------------------|-------------------------------------------|------|-------|
| <b>Budget authority and outlays, net:</b> |                                           |      |       |
| Discretionary:                            |                                           |      |       |
| 4000                                      | Budget authority, gross .....             | -230 |       |
| Outlays, gross:                           |                                           |      |       |
| 4011                                      | Outlays from discretionary balances ..... | 102  | 64 13 |
| 4180                                      | Budget authority, net (total) .....       | -230 |       |
| 4190                                      | Outlays, net (total) .....                | 102  | 64 13 |

Under its Buildings and Facilities account, ARS funds the acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by ARS. No new funding is requested in 2013.

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

|                                     |                                               |    |     |
|-------------------------------------|-----------------------------------------------|----|-----|
| Identification code 12-1401-0-1-352 |                                               |    |     |
| Direct obligations:                 |                                               |    |     |
| 25.2                                | Other services from non-Federal sources ..... |    | 7 2 |
| 25.4                                | Operation and maintenance of facilities ..... | 19 |     |
| 99.9                                | Total new obligations .....                   | 19 | 7 2 |

**Trust Funds**

**MISCELLANEOUS CONTRIBUTED FUNDS**

**Special and Trust Fund Receipts** (in millions of dollars)

|                                     |                                                                                         |     |         |
|-------------------------------------|-----------------------------------------------------------------------------------------|-----|---------|
| Identification code 12-8214-0-7-352 |                                                                                         |     |         |
| 0100                                | Balance, start of year .....                                                            |     |         |
| Receipts:                           |                                                                                         |     |         |
| 0220                                | Deposits of Miscellaneous Contributed Funds, Science and Education Administration ..... | 31  | 31 27   |
| 0400                                | Total: Balances and collections .....                                                   | 31  | 31 27   |
| Appropriations:                     |                                                                                         |     |         |
| 0500                                | Miscellaneous Contributed Funds .....                                                   | -31 | -31 -27 |
| 0799                                | Balance, end of year .....                                                              |     |         |

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

|                                         |                                                  |    |       |
|-----------------------------------------|--------------------------------------------------|----|-------|
| Identification code 12-8214-0-7-352     |                                                  |    |       |
| <b>Obligations by program activity:</b> |                                                  |    |       |
| 0001                                    | Miscellaneous contributed funds .....            | 25 | 25 25 |
| <b>Budgetary Resources:</b>             |                                                  |    |       |
| Unobligated balance:                    |                                                  |    |       |
| 1000                                    | Unobligated balance brought forward, Oct 1 ..... | 16 | 22 28 |
| Budget authority:                       |                                                  |    |       |
| Appropriations, mandatory:              |                                                  |    |       |
| 1201                                    | Appropriation (special or trust fund) .....      | 31 | 31 27 |
| 1260                                    | Appropriations, mandatory (total) .....          | 31 | 31 27 |
| 1930                                    | Total budgetary resources available .....        | 47 | 53 55 |
| Memorandum (non-add) entries:           |                                                  |    |       |
| 1941                                    | Unexpired unobligated balance, end of year ..... | 22 | 28 30 |

|                                         |                                                          |     |         |
|-----------------------------------------|----------------------------------------------------------|-----|---------|
| <b>Change in obligated balance:</b>     |                                                          |     |         |
| Obligated balance, start of year (net): |                                                          |     |         |
| 3000                                    | Unpaid obligations, brought forward, Oct 1 (gross) ..... | 3   | 6 3     |
| 3030                                    | Obligations incurred, unexpired accounts .....           | 25  | 25 25   |
| 3040                                    | Outlays (gross) .....                                    | -22 | -28 -28 |
| Obligated balance, end of year (net):   |                                                          |     |         |
| 3090                                    | Unpaid obligations, end of year (gross) .....            | 6   | 3       |
| 3100                                    | Obligated balance, end of year (net) .....               | 6   | 3       |

|                                           |                                            |    |       |
|-------------------------------------------|--------------------------------------------|----|-------|
| <b>Budget authority and outlays, net:</b> |                                            |    |       |
| Mandatory:                                |                                            |    |       |
| 4090                                      | Budget authority, gross .....              | 31 | 31 27 |
| Outlays, gross:                           |                                            |    |       |
| 4100                                      | Outlays from new mandatory authority ..... | 8  | 22 19 |
| 4101                                      | Outlays from mandatory balances .....      | 14 | 6 9   |
| 4110                                      | Outlays, gross (total) .....               | 22 | 28 28 |
| 4180                                      | Budget authority, net (total) .....        | 31 | 31 27 |
| 4190                                      | Outlays, net (total) .....                 | 22 | 28 28 |

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

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

|                                     |                                               |    |       |
|-------------------------------------|-----------------------------------------------|----|-------|
| Identification code 12-8214-0-7-352 |                                               |    |       |
| Direct obligations:                 |                                               |    |       |
| Personnel compensation:             |                                               |    |       |
| 11.1                                | Full-time permanent .....                     | 7  | 7 7   |
| 11.3                                | Other than full-time permanent .....          | 1  | 1 1   |
| 11.5                                | Other personnel compensation .....            | 1  | 1 1   |
| 11.9                                | Total personnel compensation .....            | 9  | 9 9   |
| 12.1                                | Civilian personnel benefits .....             | 2  | 2 2   |
| 21.0                                | Travel and transportation of persons .....    | 1  | 1 1   |
| 25.2                                | Other services from non-Federal sources ..... | 3  | 3 3   |
| 25.5                                | Research and development contracts .....      | 4  | 4 4   |
| 25.7                                | Operation and maintenance of equipment .....  | 1  | 1 1   |
| 26.0                                | Supplies and materials .....                  | 3  | 3 3   |
| 31.0                                | Equipment .....                               | 1  | 1 1   |
| 41.0                                | Grants, subsidies, and contributions .....    | 1  | 1 1   |
| 99.9                                | Total new obligations .....                   | 25 | 25 25 |

**Employment Summary**

|                                     |                                                       |     |         |
|-------------------------------------|-------------------------------------------------------|-----|---------|
| Identification code 12-8214-0-7-352 |                                                       |     |         |
| 1001                                | Direct civilian full-time equivalent employment ..... | 132 | 132 132 |

**NATIONAL INSTITUTE OF FOOD AND AGRICULTURE**

**Federal Funds**

**INTEGRATED ACTIVITIES**

For the integrated research, education, and extension grants programs, including necessary administrative expenses, **[\$21,482,000]** **\$43,542,000**, as follows: for competitive grants programs authorized under section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626), **[\$14,496,000]** **\$33,056,000**, including **[\$4,500,000]** for the water quality program, **\$4,000,000** for regional pest management centers, **\$1,996,000** for the methyl bromide transition program, and **\$4,000,000** for the organic transition program and **\$29,056,000** for crop protection; **\$998,000** for the regional rural development centers program; **\$3,500,000** for grants authorized under section 1623 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5813); and **\$5,988,000** for the Food and Agriculture Defense Initiative authorized under section 1484 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, to remain available until September 30, **[2013]** **2014**. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)

INTEGRATED ACTIVITIES—Continued  
Program and Financing (in millions of dollars)

| Identification code 12-1502-0-1-352                                     | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                 |             |           |           |
| 0010 Organic research and extension init. ....                          | 20          | 20        | .....     |
| 0020 Water quality .....                                                | 9           | 4         | .....     |
| 0030 Food safety .....                                                  | 11          | .....     | .....     |
| 0040 Regional pest management centers .....                             | 3           | 4         | .....     |
| 0050 Crop Protection .....                                              | .....       | .....     | 29        |
| 0070 Methyl bromide transition program .....                            | 2           | 2         | .....     |
| 0071 Homeland Security .....                                            | 6           | 6         | 6         |
| 0072 Sustainable Agriculture Federal-State Matching Grant Program ..... | .....       | .....     | 4         |
| 0085 Specialty Crop Research Initiative .....                           | 50          | 50        | .....     |
| 0086 International science and education grants .....                   | 1           | .....     | .....     |
| 0087 Regional Rural development centers .....                           | 1           | 1         | 1         |
| 0088 Organic transition .....                                           | 4           | 4         | 4         |
| 0089 Critical issues - plant and animal diseases .....                  | 1           | .....     | .....     |
| 0900 Total new obligations .....                                        | 108         | 91        | 44        |
| <b>Budgetary Resources:</b>                                             |             |           |           |
| Unobligated balance:                                                    |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                   | 1           | .....     | .....     |
| Budget authority:                                                       |             |           |           |
| Appropriations, discretionary:                                          |             |           |           |
| 1100 Appropriation .....                                                | 37          | 21        | 44        |
| 1160 Appropriation, discretionary (total) .....                         | 37          | 21        | 44        |
| Appropriations, mandatory:                                              |             |           |           |
| 1221 Transferred from other accounts [12-4336] .....                    | 70          | 70        | .....     |
| 1260 Appropriations, mandatory (total) .....                            | 70          | 70        | .....     |
| 1900 Budget authority (total) .....                                     | 107         | 91        | 44        |
| 1930 Total budgetary resources available .....                          | 108         | 91        | 44        |
| <b>Change in obligated balance:</b>                                     |             |           |           |
| Obligated balance, start of year (net):                                 |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....           | 274         | 267       | 251       |
| 3030 Obligations incurred, unexpired accounts .....                     | 108         | 91        | 44        |
| 3031 Obligations incurred, expired accounts .....                       | 3           | .....     | .....     |
| 3040 Outlays (gross) .....                                              | -89         | -107      | -131      |
| 3081 Recoveries of prior year unpaid obligations, expired .....         | -29         | .....     | .....     |
| Obligated balance, end of year (net):                                   |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                      | 267         | 251       | 164       |
| 3100 Obligated balance, end of year (net) .....                         | 267         | 251       | 164       |
| <b>Budget authority and outlays, net:</b>                               |             |           |           |
| Discretionary:                                                          |             |           |           |
| 4000 Budget authority, gross .....                                      | 37          | 21        | 44        |
| Outlays, gross:                                                         |             |           |           |
| 4010 Outlays from new discretionary authority .....                     | 1           | 4         | 5         |
| 4011 Outlays from discretionary balances .....                          | 50          | 41        | 43        |
| 4020 Outlays, gross (total) .....                                       | 51          | 45        | 48        |
| Mandatory:                                                              |             |           |           |
| 4090 Budget authority, gross .....                                      | 70          | 70        | .....     |
| Outlays, gross:                                                         |             |           |           |
| 4100 Outlays from new mandatory authority .....                         | 3           | 4         | .....     |
| 4101 Outlays from mandatory balances .....                              | 35          | 58        | 83        |
| 4110 Outlays, gross (total) .....                                       | 38          | 62        | 83        |
| 4180 Budget authority, net (total) .....                                | 107         | 91        | 44        |
| 4190 Outlays, net (total) .....                                         | 89          | 107       | 131       |

Under the Integrated Activities account, research, education and/or extension grants are awarded for competitive and non-competitive programs.

**Organic Transition Program.**—This program supports the development and implementation of biologically based pest management practices that mitigate the ecological, agronomic, and economic risks associated with the transition from conventional to organic agricultural production systems. The 2013 Budget includes \$4.0 million, which is the same as the 2012 enacted level.

**Crop Protection Program.**—This program supports projects that respond to pest management challenges with coordinated region-wide and national research, education, and extension programs, and serves as a catalyst for promoting further development and use of integrated pest management approaches. The program

also fosters regional and national team building efforts, communication networks, and enhanced stakeholder participation. The 2013 Budget includes \$29.1 million, which reflects combined pest management funding transferred from Research and Education and Extension Activities.

**Sustainable Agriculture Federal-State Matching Grant Program.**—This Federal-State matching grant program will assist in the creation or enhancement of State sustainable research, extension, and education programs. The matching requirement will leverage State and/or private funds, and build the long-term capacity to guide the evolution of American agriculture to a more highly productive, sustainable system. The 2013 Budget includes \$3.5 million.

**Regional rural development centers.**—Funding supports activities that pursue a holistic development strategy that tailors programming to meet regional and local needs and addresses areas of opportunity arising from a consumer-driven agricultural economy. The 2013 Budget includes \$1.0 million, which is the same as the 2012 enacted level.

**Food and agriculture defense initiative (homeland security).**—The program provides support to an unified network of public agricultural institutions to identify and respond to high risk biological pathogens in the food and agricultural system. In particular, funding will maintain and enhance risk management tools for Asian soybean rust and other pathogens of legumes. The 2013 Budget includes \$5.9 million. Additional funding for these laboratories is included in the Animal and Plant Health Inspection Service.

**Organic Agriculture Research and Extension Initiative.**—This mandatory program, authorized by section 7206 of the Food, Conservation, and Energy Act of 2008 (FCEA), 2008 Farm Bill, supports research and extension programs that enhance the ability of producers and processors who have already adopted organic standards to grow and market high quality organic agricultural products. The program expires at the end of September 2012.

**Specialty Crop Research Initiative.**—This mandatory program, authorized by section 7311 of the FCEA, 2008 Farm Bill, provides funding to solve critical industry issues through research and extension activities that focus on research in plant breeding, genetics, and genomics to improve crop characteristics; efforts to identify and address threats from pests and diseases, including threats to specialty crop pollinators; efforts to improve production efficiency, productivity, and profitability over the long term; new innovations and technology, including improved mechanization and technologies that delay or inhibit ripening; and methods to prevent, detect, monitor, control, and respond to potential food safety hazards in the production and processing of specialty crops. The program expires at the end of September 2012.

Object Classification (in millions of dollars)

| Identification code 12-1502-0-1-352                    | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                    |             |           |           |
| 11.1 Personnel compensation: Full-time permanent ..... | 2           | 2         | 2         |
| 12.1 Civilian personnel benefits .....                 | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....     | 1           | 1         | 1         |
| 25.5 Research and development contracts .....          | .....       | 1         | 1         |
| 41.0 Grants, subsidies, and contributions .....        | 104         | 86        | 39        |
| 99.9 Total new obligations .....                       | 108         | 91        | 44        |

**Employment Summary**

| Identification code 12-1502-0-1-352                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 8           | 8         | 9         |

**BIOMASS RESEARCH AND DEVELOPMENT**

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

| Identification code 12-1003-0-1-271                           | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                       |             |           |           |
| 0001 Biomass research and development .....                   | 2           | 37        | 34        |
| 0900 Total new obligations (object class 41.0) .....          | 2           | 37        | 34        |
| <b>Budgetary Resources:</b>                                   |             |           |           |
| Unobligated balance:                                          |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....         | 3           | 31        | 34        |
| Budget authority:                                             |             |           |           |
| Appropriations, mandatory:                                    |             |           |           |
| 1221 Transferred from other accounts [12-4336] .....          | 30          | 40        | .....     |
| 1260 Appropriations, mandatory (total) .....                  | 30          | 40        | .....     |
| 1930 Total budgetary resources available .....                | 33          | 71        | 34        |
| Memorandum (non-add) entries:                                 |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....         | 31          | 34        | .....     |
| <b>Change in obligated balance:</b>                           |             |           |           |
| Obligated balance, start of year (net):                       |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) ..... | 53          | 45        | 53        |
| 3030 Obligations incurred, unexpired accounts .....           | 2           | 37        | 34        |
| 3040 Outlays (gross) .....                                    | -10         | -29       | -41       |
| Obligated balance, end of year (net):                         |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....            | 45          | 53        | 46        |
| 3100 Obligated balance, end of year (net) .....               | 45          | 53        | 46        |
| <b>Budget authority and outlays, net:</b>                     |             |           |           |
| Mandatory:                                                    |             |           |           |
| 4090 Budget authority, gross .....                            | 30          | 40        | .....     |
| Outlays, gross:                                               |             |           |           |
| 4100 Outlays from new mandatory authority .....               | .....       | 2         | .....     |
| 4101 Outlays from mandatory balances .....                    | 10          | 27        | 41        |
| 4110 Outlays, gross (total) .....                             | 10          | 29        | 41        |
| 4180 Budget authority, net (total) .....                      | 30          | 40        | .....     |
| 4190 Outlays, net (total) .....                               | 10          | 29        | 41        |

Biomass Research and Development is authorized by the Biomass Research and Development Act of 2000. The program provides competitive grants for research, development, and demonstration to encourage innovation and development related to biomass, and improved commercialization of biobased products and energy. USDA and the Department of Energy jointly administer the program.

Current priorities focus on the following: feedstock development and production; biobased products emphasizing environmental and economic performance and gasification of animal manure; integrated resource management and biomass use; demonstration projects that use biodiesel for all operations in the supply chain to produce corn grain ethanol; and effective and targeted incentive systems for biomass commercialization and adoption. The 2012 funding level is \$40 million. The program expires at the end of September 2012.

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE  
RESEARCH AND EDUCATION ACTIVITIES

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, **[\$705,599,000] \$732,730,000**, as follows: to carry out the provisions of the Hatch Act of 1887 (7 U.S.C. 361a-i), **[\$236,334,000] \$234,834,000**;

for grants for cooperative forestry research (16 U.S.C. 582a through a-7), **\$32,934,000**; for payments to eligible institutions (7 U.S.C. 3222), **\$50,898,000**, provided that each institution receives no less than **\$1,000,000**; for special grants (7 U.S.C. 450i(c)), **[\$4,000,000**; for competitive grants on improved pest control (7 U.S.C. 450i(c)), **\$15,830,000] \$1,405,000**; for competitive grants (7 U.S.C. 450i(b)), **[\$264,470,000] \$325,000,000**, to remain available until expended; **[**for the support of animal health and disease programs (7 U.S.C. 3195), **\$4,000,000**; for supplemental and alternative crops and products (7 U.S.C. 3319d), **\$825,000**; for grants for research pursuant to the Critical Agricultural Materials Act (7 U.S.C. 178 et seq.), **\$1,081,000**, to remain available until expended; **]** for the 1994 research grants program for 1994 institutions pursuant to section 536 of Public Law 103-382 (7 U.S.C. 301 note), **\$1,801,000**, to remain available until expended; **[**for rangeland research grants (7 U.S.C. 3333), **\$961,000**; **]** for the veterinary medicine loan repayment program under section 1415A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3151a), **\$4,790,000**, to remain available until expended; **[**for grants and fellowships for food and agricultural sciences education under paragraphs (1), (5), and (6) of section 1417(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3152(b)), **\$9,000,000**, to remain available until expended; **]** for higher education graduate fellowship grants (7 U.S.C. 3152(b)(6)), **\$3,851,000**, to remain available until expended (7 U.S.C. 2209b); for higher education challenge grants (7 U.S.C. 3152(b)(1)), **\$5,643,000**; for a higher education multicultural scholars program (7 U.S.C. 3152(b)(5)), **\$1,239,000**, to remain available until expended (7 U.S.C. 2209b); for an education grants program for Hispanic-serving Institutions (7 U.S.C. 3241), **\$9,219,000**; for competitive grants for the purpose of carrying out all provisions of 7 U.S.C. 3156 to individual eligible institutions or consortia of eligible institutions in Alaska and in Hawaii, with funds awarded equally to each of the States of Alaska and Hawaii, **\$3,194,000**; for a secondary agriculture education program and 2-year post-secondary education, (7 U.S.C. 3152(j)), **[\$900,000] \$981,000**; for aquaculture grants (7 U.S.C. 3322), **\$3,920,000**; for sustainable agriculture research and education (7 U.S.C. 5811), **\$14,471,000**; for a program of capacity building grants (7 U.S.C. 3152(b)(4)) to institutions eligible to receive funds under 7 U.S.C. 3221 and 3222, **\$19,336,000**, to remain available until expended (7 U.S.C. 2209b); **[**for capacity building grants for non-land-grant colleges of agriculture (7 U.S.C. 3319i), **\$4,500,000**, to remain available until expended; for competitive grants for policy research (7 U.S.C. 3155), **\$4,000,000**, which shall be obligated within 120 days of the enactment of this Act; **]** for payments to the 1994 Institutions pursuant to section 534(a)(1) of Public Law 103-382, **\$3,335,000**; for grants for insular areas under sections 1490 and 1491 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3362 and 3363), **\$1,650,000** [resident instruction grants for insular areas under section 1491 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3363), **\$900,000**; for distance education grants for insular areas under section 1490 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3362), **\$750,000**; for a competitive grants program for farm business management and benchmarking (7 U.S.C. 5925f), **\$1,450,000**; for a competitive grants program regarding biobased energy (7 U.S.C. 8114), **\$2,200,000**]; and for necessary expenses of Research and Education Activities, **[\$10,500,000] \$14,229,000**, of which **[\$2,600,000** for the Research, Education, and Economics Information System and **\$2,000,000** for the Electronic Grants Information System, are] **\$7,830,000**, to remain available until expended, are for grants management systems.

HISPANIC SERVING AGRICULTURAL COLLEGES AND UNIVERSITIES ENDOWMENT FUND

For the Hispanic-Serving Agricultural Colleges and Universities Endowment Fund under section 1456(b) (7 U.S.C. 3243(b)) of the National Agricultural Research, Extension and Teaching Policy Act of 1977, **\$10,000,000**, to remain available until expended.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

For the Native American Institutions Endowment Fund authorized by Public Law 103-382 (7 U.S.C. 301 note), **\$11,880,000**, to remain available until expended. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)

## RESEARCH AND EDUCATION ACTIVITIES—Continued

## Special and Trust Fund Receipts (in millions of dollars)

| Identification code 12-1500-0-1-352                                                                 | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year .....                                                                   | 24          | 136       | 148       |
| Adjustments:                                                                                        |             |           |           |
| 0190 Adjustment - improved accounting to reflect amount that is available for investment only ..... | 100         |           |           |
| 0199 Balance, start of year .....                                                                   | 124         | 136       | 148       |
| Receipts:                                                                                           |             |           |           |
| 0240 Earnings on Investments, Native American Institutions Endowment Fund .....                     | 5           | 5         | 5         |
| 0400 Total: Balances and collections .....                                                          | 129         | 141       | 153       |
| Appropriations:                                                                                     |             |           |           |
| 0500 Research and Education Activities .....                                                        | -5          | -5        | -5        |
| 0501 Research and Education Activities .....                                                        | 12          | 12        | 22        |
| 0599 Total appropriations .....                                                                     | 7           | 7         | 17        |
| 0799 Balance, end of year .....                                                                     | 136         | 148       | 170       |

## Program and Financing (in millions of dollars)

| Identification code 12-1500-0-1-352                                                        | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                                    |             |           |           |
| 0001 Payments under the Hatch Act .....                                                    | 236         | 236       | 235       |
| 0002 Cooperative forestry research .....                                                   | 33          | 33        | 33        |
| 0003 Payments to 1890 colleges and Tuskegee Univ. and West Virginia State University ..... | 51          | 51        | 51        |
| 0004 Special research grants .....                                                         | 42          | 44        | 22        |
| 0005 Agriculture Food and Research Initiative .....                                        | 348         | 424       | 325       |
| 0006 Animal health and disease research .....                                              | 3           | 4         |           |
| 0007 Federal Administration .....                                                          | 11          | 11        | 14        |
| 0008 Higher education .....                                                                | 38          | 60        | 48        |
| 0009 Native American Institutions Endowment Fund .....                                     | 4           | 5         | 5         |
| 0012 Veterinary Medical Services Act .....                                                 |             | 13        | 5         |
| 0014 New Era Rural Technology .....                                                        | 1           |           |           |
| 0015 Sun Grant Program .....                                                               | 2           | 2         |           |
| 0016 Farm Business Management and Benchmarking .....                                       | 1           | 1         |           |
| 0017 Competitive Grants for Policy Research .....                                          |             | 4         |           |
| 0799 Total direct obligations .....                                                        | 770         | 888       | 738       |
| 0801 Reimbursable program activity .....                                                   | 9           | 9         | 9         |
| 0900 Total new obligations .....                                                           | 779         | 897       | 747       |

## Budgetary Resources:

|                                                                        |     |     |     |
|------------------------------------------------------------------------|-----|-----|-----|
| Unobligated balance:                                                   |     |     |     |
| 1000 Unobligated balance brought forward, Oct 1 .....                  | 228 | 178 |     |
| 1021 Recoveries of prior year unpaid obligations .....                 | 18  |     |     |
| 1050 Unobligated balance (total) .....                                 | 246 | 178 |     |
| Budget authority:                                                      |     |     |     |
| Appropriations, discretionary:                                         |     |     |     |
| 1100 Appropriation .....                                               | 712 | 717 | 755 |
| 1101 Appropriation (Native American Endowment Interest) .....          | 5   | 5   | 5   |
| 1130 Appropriations permanently reduced .....                          | -1  |     |     |
| 1134 Portion precluded from obligation (-) (N.A. Endowment Fund) ..... | -12 | -12 | -22 |
| 1160 Appropriation, discretionary (total) .....                        | 704 | 710 | 738 |
| Spending authority from offsetting collections, discretionary:         |     |     |     |
| 1700 Collected .....                                                   |     | 9   | 9   |
| 1701 Change in uncollected payments, Federal sources .....             | 9   |     |     |
| 1750 Spending auth from offsetting collections, disc (total) .....     | 9   | 9   | 9   |
| 1900 Budget authority (total) .....                                    | 713 | 719 | 747 |
| 1930 Total budgetary resources available .....                         | 959 | 897 | 747 |
| Memorandum (non-add) entries:                                          |     |     |     |
| 1940 Unobligated balance expiring .....                                | -2  |     |     |
| 1941 Unexpired unobligated balance, end of year .....                  | 178 |     |     |

## Change in obligated balance:

|                                                                                  |       |       |     |
|----------------------------------------------------------------------------------|-------|-------|-----|
| Obligated balance, start of year (net):                                          |       |       |     |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....                    | 1,016 | 1,137 | 987 |
| 3001 Adjustments to unpaid obligations, brought forward, Oct 1 .....             | 12    |       |     |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....                | -16   | -43   | -43 |
| 3011 Adjustments to uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -12   |       |     |
| 3020 Obligated balance, start of year (net) .....                                | 1,000 | 1,094 | 944 |
| 3030 Obligations incurred, unexpired accounts .....                              | 779   | 897   | 747 |
| 3031 Obligations incurred, expired accounts .....                                | 54    |       |     |

|                                                                   |       |        |      |
|-------------------------------------------------------------------|-------|--------|------|
| 3040 Outlays (gross) .....                                        | -670  | -1,047 | -824 |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....    | -9    |        |      |
| 3051 Change in uncollected pymts, Fed sources, expired .....      | -6    |        |      |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -18   |        |      |
| 3081 Recoveries of prior year unpaid obligations, expired .....   | -36   |        |      |
| Obligated balance, end of year (net):                             |       |        |      |
| 3090 Unpaid obligations, end of year (gross) .....                | 1,137 | 987    | 910  |
| 3091 Uncollected pymts, Fed sources, end of year .....            | -43   | -43    | -43  |
| 3100 Obligated balance, end of year (net) .....                   | 1,094 | 944    | 867  |

## Budget authority and outlays, net:

|                                                                     |     |       |     |
|---------------------------------------------------------------------|-----|-------|-----|
| Discretionary:                                                      |     |       |     |
| 4000 Budget authority, gross .....                                  | 713 | 719   | 747 |
| Outlays, gross:                                                     |     |       |     |
| 4010 Outlays from new discretionary authority .....                 | 154 | 373   | 388 |
| 4011 Outlays from discretionary balances .....                      | 516 | 674   | 436 |
| 4020 Outlays, gross (total) .....                                   | 670 | 1,047 | 824 |
| Offsets against gross budget authority and outlays:                 |     |       |     |
| Offsetting collections (collected) from:                            |     |       |     |
| 4030 Federal sources .....                                          | -5  | -9    | -9  |
| Additional offsets against gross budget authority only:             |     |       |     |
| 4050 Change in uncollected pymts, Fed sources, unexpired .....      | -9  |       |     |
| 4052 Offsetting collections credited to expired accounts .....      | 5   |       |     |
| 4060 Additional offsets against budget authority only (total) ..... | -4  |       |     |
| 4070 Budget authority, net (discretionary) .....                    | 704 | 710   | 738 |
| 4080 Outlays, net (discretionary) .....                             | 665 | 1,038 | 815 |
| 4180 Budget authority, net (total) .....                            | 704 | 710   | 738 |
| 4190 Outlays, net (total) .....                                     | 665 | 1,038 | 815 |

## Memorandum (non-add) entries:

|                                                                  |     |     |     |
|------------------------------------------------------------------|-----|-----|-----|
| 5000 Total investments, SOY: Federal securities: Par value ..... | 122 | 134 | 146 |
| 5001 Total investments, EOY: Federal securities: Par value ..... | 134 | 146 | 168 |

The National Institute of Food and Agriculture (NIFA) participates in a nationwide system of agricultural research and education program planning and coordination between State institutions and the U.S. Department of Agriculture. It assists in maintaining cooperation among the State institutions, and between the State institutions and their Federal research partners. The agency administers grants and payments to State institutions to supplement State and local funding for agricultural research and higher education.

*Agriculture and Food Research Initiative competitive grants.*—Section 7406 of FCEA establishes the Agriculture and Food Research Initiative (AFRI). AFRI is a competitive grant program to provide funding for fundamental and applied research, extension, and education to address food and agricultural sciences. AFRI projects will address critical issues in U.S. agriculture in the areas of global food security and hunger; climate change; sustainable bioenergy; childhood obesity; and food safety. Addressing these critical issues will engage scientists and educators with expertise in plant health and production and plant products; animal health and production and animal products; food safety, nutrition, and health; renewable energy, natural resources, and environment; agricultural systems and technology; and agriculture economics and rural communities. AFRI allows greater flexibility in the types of projects funded to include: single function projects in research, education, and extension, and integrated research, education and/or extension awards. AFRI is the core competitive grant program for research, education, and extension. The 2013 Budget proposes to increase funding for AFRI from \$264 million to \$325 million, a 23 percent increase in this program from 2012.

*Payments under the Hatch Act.*—Funds under the Hatch Act are allocated on a formula basis to agricultural experiment stations of the land-grant colleges in the 50 States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, Micronesia, and Northern Mariana Islands. The 2013 Budget includes \$234.8 million, which is a \$1.5 million decrease from the 2012 enacted level.

*Cooperative forestry research.*—These funds are allocated by formula to land-grant colleges or agricultural experiment stations in the 50 States, Puerto Rico, Guam, the Virgin Islands, and other State-supported colleges and universities having a forestry school and offering graduate training in forestry sciences. The 2013 Budget is funded at the same level as the 2012 enacted level, \$32.9 million.

*Payments to 1890 colleges and Tuskegee University and West Virginia State University.*—Funds allocated on a formula basis support agricultural research and broaden the curricula at the eighteen 1890 land-grant colleges, including Tuskegee University and West Virginia State University. The 2013 Budget is funded at the same level as the 2012 enacted level, \$50.9 million.

*Special research grants.*—This program addresses research areas of national interest. The 2013 Budget includes \$14.5 million for a grant program in sustainable agriculture. Funding for a grant program for global change is proposed at \$1.4 million for research at universities as part of a coordinated Federal initiative. The 2013 Budget also includes for aquaculture centers at the same level as 2012 enacted, \$3.9 million.

*1994 Institutions Research.*—The 2013 Budget maintains funding at the 2012 enacted level of \$1.8 million for the competitive research grants program to build research capacity at the thirty-four 1994 institutions by supporting agricultural research activities that address tribal, national and multistate priorities.

*Federal administration.*—A coordinating and review staff assists in maintaining cooperation within and among the States, and between the States and their Federal research partners. This staff also administers research and education grants and payments to States. Federal administration is funded from a combination of program set-asides from formula and grant programs and from direct appropriation for administration. The 2013 Budget includes \$14.2 million, which is \$3.7 million over the 2012 enacted level. Most of the increase will support the Electronic Grants Administration System.

*Higher education.*—2013 funding is proposed for graduate fellowships grants at \$3.8 million, challenge grants at \$5.6 million, Hispanic-serving institutions education grants program at \$9.2 million, and a multicultural scholars program at \$1.2 million. Funding is also proposed for Native American institutions at \$3.3 million, Alaska Native-serving and Native Hawaiian-serving Institutions at \$3.2 million, Secondary Education/ Two-Year Post-secondary Education and Agriculture in the K-12 Classroom at \$1.0 million, and Grants for Insular Areas programs at \$1.6 million. These programs enable universities to broaden their curricula; and increase faculty development, student research projects, and the number of new scholars recruited in the food and agricultural sciences. In addition, an increased number of graduate students, including minority graduate students, will be enrolled in the agricultural sciences. The 2013 Budget proposes \$19.3 million for a capacity building program at the 1890 institutions as part of the USDA initiative to strengthen these institutions through a broadening of curricula, and increased faculty development and student research projects. Funding is also proposed in the 2013 Budget, at \$4.8 million, for the Veterinary Medical Services Act to provide incentives to hire Federal veterinarians to work in shortage areas.

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

*Native American Institutions Endowment Fund.*— The 2013 Budget includes the same level as 2012 enacted, \$11.9 million, for an endowment for the 1994 land-grant institutions (34 Tribal controlled colleges) to strengthen the infrastructure of

these institutions and develop Indian expertise for the food and agricultural sciences and businesses and their own communities. At the termination of each fiscal year, the Secretary withdraws the income from the endowment fund for the fiscal year, and after making adjustments for the cost of administering the fund, distributes the adjusted income on a formula basis to the 1994 land-grant institutions.

*Hispanic-Serving Agricultural Colleges and Universities Endowment Fund.*—This endowment fund for Hispanic-Serving Agricultural Colleges and Universities will launch the production of skilled and marketable Hispanic student population for employment in the food and agriculture sector. Over the next ten years, the Endowment will lead to significant and measurable enhanced competence and marketability of Hispanic students in the food and agricultural sciences. The 2013 Budget includes \$10 million for this proposed fund.

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

| Identification code 12-1500-0-1-352                    | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                             |             |           |           |
| 11.1 Personnel compensation: Full-time permanent ..... | 22          | 22        | 22        |
| 12.1 Civilian personnel benefits .....                 | 5           | 5         | 5         |
| 21.0 Travel and transportation of persons .....        | 2           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....     |             | 3         | 3         |
| 25.5 Research and development contracts .....          | 10          | 3         | 3         |
| 41.0 Grants, subsidies, and contributions .....        | 731         | 854       | 704       |
| 99.0 Direct obligations .....                          | 770         | 888       | 738       |
| 99.0 Reimbursable obligations .....                    | 9           | 9         | 9         |
| 99.9 Total new obligations .....                       | 779         | 897       | 747       |

**Employment Summary**

| Identification code 12-1500-0-1-352                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 234         | 247       | 249       |

**BUILDINGS AND FACILITIES**

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

| Identification code 12-1501-0-1-352                                  | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Budgetary Resources:</b>                                          |             |           |           |
| Unobligated balance:                                                 |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                | 1           | 2         |           |
| 1021 Recoveries of prior year unpaid obligations .....               | 2           |           |           |
| 1050 Unobligated balance (total) .....                               | 3           | 2         |           |
| Budget authority:                                                    |             |           |           |
| Appropriations, discretionary:                                       |             |           |           |
| 1131 Unobligated balance of appropriations permanently reduced ..... | -1          | -2        |           |
| 1160 Appropriation, discretionary (total) .....                      | -1          | -2        |           |
| 1930 Total budgetary resources available .....                       | 2           |           |           |
| Memorandum (non-add) entries:                                        |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                | 2           |           |           |
| <b>Change in obligated balance:</b>                                  |             |           |           |
| Obligated balance, start of year (net):                              |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....        | 4           | 2         | 2         |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....    | -2          |           |           |
| Obligated balance, end of year (net):                                |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                   | 2           | 2         | 2         |
| 3100 Obligated balance, end of year (net) .....                      | 2           | 2         | 2         |
| <b>Budget authority and outlays, net:</b>                            |             |           |           |
| Discretionary:                                                       |             |           |           |
| 4000 Budget authority, gross .....                                   | -1          | -2        |           |
| 4180 Budget authority, net (total) .....                             | -1          | -2        |           |

BUILDINGS AND FACILITIES—Continued

Funds provide grants to States and other eligible recipients for the acquisition of land, construction, repair, improvement, extension, alteration and purchase of fixed equipment or facilities to carry out agricultural research, extension, and teaching programs. No funding has been appropriated to this account since 1997.

EXTENSION ACTIVITIES

For payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, the Northern Marianas, and American Samoa, **[\$475,183,000] \$462,473,000**, as follows: payments for cooperative extension work under the Smith-Lever Act, to be distributed under sections 3(b) and 3(c) of said Act, and under section 208(c) of Public Law 93–471, for retirement and employees' compensation costs for extension agents, **[\$294,000,000] \$292,411,000**; payments for extension work at the 1994 Institutions under the Smith-Lever Act (7 U.S.C. 343(b)(3)), **\$4,312,000**; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, **\$67,934,000**; payments for the pest management program under section 3(d) of the Act, **\$9,918,000**; payments for the farm safety program and youth farm safety education and certification extension grants under section 3(d) of the Act, **\$4,610,000**; payments for New Technologies for Agriculture Extension under section 3(d) of the Act, **[\$1,550,000] \$1,750,000**; payments to upgrade research, extension, and teaching facilities at institutions eligible to receive funds under 7 U.S.C. 3221 and 3222, **\$19,730,000**, to remain available until expended; payments for youth-at-risk programs under section 3(d) of the Smith-Lever Act, **[\$7,600,000] \$8,395,000**; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978 (16 U.S.C. 1671 et seq.), **[\$3,700,000] \$4,060,000**; payments for the federally recognized Tribes Extension Program under section 3(d) of the Smith-Lever Act, **\$3,039,000**; payments for sustainable agriculture programs under section 3(d) of the Act, **\$4,696,000**; payments for rural health and safety education as authorized by section 502(i) of Public Law 92–419 (7 U.S.C. 2662(i)), **\$1,500,000**; payments for cooperative extension work by eligible institutions (7 U.S.C. 3221), **\$42,592,000**, provided that each institution receives no less than **\$1,000,000**; for grants to youth organizations pursuant to 7 U.S.C. 7630, **\$750,000**; payments to carry out the food animal residue avoidance database program as authorized by 7 U.S.C. 7642, **\$1,000,000**; payments to carry out section 1672(e)(49) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925), as amended, **\$400,000**; and for necessary expenses of Extension Activities, **[\$7,852,000] \$8,544,000**. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12–0502–0–1–352                                                  | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                              |             |           |           |
| 0001 Smith-Lever Act, 3(b) and 3(c)                                                  | 293         | 294       | 292       |
| 0002 Youth at risk                                                                   | 8           | 8         | 8         |
| 0004 Expanded food and nutrition education program (EFNEP)                           | 67          | 68        | 68        |
| 0005 Pest management                                                                 | 9           | 10        |           |
| 0006 Farm Safety                                                                     | 4           | 5         | 4         |
| 0009 Federally Recognized Tribes Extension Program                                   | 3           | 3         | 3         |
| 0013 Payments to 1890 colleges and Tuskegee Univ. and West Virginia State University | 42          | 43        | 43        |
| 0015 Renewable resources extension act                                               | 4           | 4         | 4         |
| 0016 Federal administration                                                          | 8           | 8         | 9         |
| 0019 1890 facilities (section 1447)                                                  | 18          | 26        | 20        |
| 0021 Sustainable agriculture                                                         | 4           | 5         | 5         |
| 0022 1994 institutions activities                                                    | 4           | 4         | 4         |
| 0024 Rural health and safety education                                               | 1           | 2         |           |
| 0025 Grants to youth serving organizations                                           | 1           | 1         |           |
| 0026 Risk management education                                                       | 5           | 5         | 5         |
| 0027 New technologies for ag. extension                                              | 1           | 2         | 2         |
| 0028 Healthy Urban Enterprise Development                                            | 1           |           |           |
| 0029 Beginning Farmers and Ranchers Development Program                              | 19          | 19        |           |
| 0030 Food Animal Residue Avoidance Database                                          | 1           | 1         |           |
| 0799 Total direct obligations                                                        | 493         | 508       | 467       |
| 0801 Reimbursable program activity                                                   | 47          | 50        | 50        |
| 0900 Total new obligations                                                           | 540         | 558       | 517       |

Budgetary Resources:

|                                                                |     |     |     |
|----------------------------------------------------------------|-----|-----|-----|
| Unobligated balance:                                           |     |     |     |
| 1000 Unobligated balance brought forward, Oct 1                | 1   | 9   |     |
| 1021 Recoveries of prior year unpaid obligations               | 5   |     |     |
| 1050 Unobligated balance (total)                               | 6   | 9   |     |
| Budget authority:                                              |     |     |     |
| Appropriations, discretionary:                                 |     |     |     |
| 1100 Appropriation                                             | 480 | 475 | 462 |
| 1130 Appropriations permanently reduced                        | -1  |     |     |
| 1160 Appropriation, discretionary (total)                      | 479 | 475 | 462 |
| Appropriations, mandatory:                                     |     |     |     |
| 1200 Appropriation                                             | 1   |     |     |
| 1221 Transferred from other accounts [12–4085]                 | 5   | 5   | 5   |
| 1221 Transferred from other accounts [12–4336]                 | 19  | 19  |     |
| 1260 Appropriations, mandatory (total)                         | 25  | 24  | 5   |
| Spending authority from offsetting collections, discretionary: |     |     |     |
| 1700 Collected                                                 | 3   | 50  | 50  |
| 1701 Change in uncollected payments, Federal sources           | 47  |     |     |
| 1750 Spending auth from offsetting collections, disc (total)   | 50  | 50  | 50  |
| 1900 Budget authority (total)                                  | 554 | 549 | 517 |
| 1930 Total budgetary resources available                       | 560 | 558 | 517 |
| Memorandum (non-add) entries:                                  |     |     |     |
| 1940 Unobligated balance expiring                              | -11 |     |     |
| 1941 Unexpired unobligated balance, end of year                | 9   |     |     |

Change in obligated balance:

|                                                                            |      |      |      |
|----------------------------------------------------------------------------|------|------|------|
| Obligated balance, start of year (net):                                    |      |      |      |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross)                    | 569  | 695  | 506  |
| 3001 Adjustments to unpaid obligations, brought forward, Oct 1             | 40   |      |      |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1                | -46  | -127 | -127 |
| 3011 Adjustments to uncollected pymts, Fed sources, brought forward, Oct 1 | -40  |      |      |
| 3020 Obligated balance, start of year (net)                                | 523  | 568  | 379  |
| 3030 Obligations incurred, unexpired accounts                              | 540  | 558  | 517  |
| 3031 Obligations incurred, expired accounts                                | 47   |      |      |
| 3040 Outlays (gross)                                                       | -488 | -747 | -786 |
| 3050 Change in uncollected pymts, Fed sources, unexpired                   | -47  |      |      |
| 3051 Change in uncollected pymts, Fed sources, expired                     | 6    |      |      |
| 3080 Recoveries of prior year unpaid obligations, unexpired                | -5   |      |      |
| 3081 Recoveries of prior year unpaid obligations, expired                  | -8   |      |      |
| Obligated balance, end of year (net):                                      |      |      |      |
| 3090 Unpaid obligations, end of year (gross)                               | 695  | 506  | 237  |
| 3091 Uncollected pymts, Fed sources, end of year                           | -127 | -127 | -127 |
| 3100 Obligated balance, end of year (net)                                  | 568  | 379  | 110  |

Budget authority and outlays, net:

|                                                                 |     |     |     |
|-----------------------------------------------------------------|-----|-----|-----|
| Discretionary:                                                  |     |     |     |
| 4000 Budget authority, gross                                    | 529 | 525 | 512 |
| Outlays, gross:                                                 |     |     |     |
| 4010 Outlays from new discretionary authority                   | 163 | 334 | 326 |
| 4011 Outlays from discretionary balances                        | 312 | 403 | 432 |
| 4020 Outlays, gross (total)                                     | 475 | 737 | 758 |
| Offsets against gross budget authority and outlays:             |     |     |     |
| Offsetting collections (collected) from:                        |     |     |     |
| 4030 Federal sources                                            | -37 | -50 | -50 |
| 4033 Non-Federal sources                                        | -1  |     |     |
| 4040 Offsets against gross budget authority and outlays (total) | -38 | -50 | -50 |
| Additional offsets against gross budget authority only:         |     |     |     |
| 4050 Change in uncollected pymts, Fed sources, unexpired        | -47 |     |     |
| 4052 Offsetting collections credited to expired accounts        | 35  |     |     |
| 4060 Additional offsets against budget authority only (total)   | -12 |     |     |
| 4070 Budget authority, net (discretionary)                      | 479 | 475 | 462 |
| 4080 Outlays, net (discretionary)                               | 437 | 687 | 708 |
| Mandatory:                                                      |     |     |     |
| 4090 Budget authority, gross                                    | 25  | 24  | 5   |
| Outlays, gross:                                                 |     |     |     |
| 4100 Outlays from new mandatory authority                       | 1   | 5   | 3   |
| 4101 Outlays from mandatory balances                            | 12  | 5   | 25  |
| 4110 Outlays, gross (total)                                     | 13  | 10  | 28  |
| 4180 Budget authority, net (total)                              | 504 | 499 | 467 |
| 4190 Outlays, net (total)                                       | 450 | 697 | 736 |

The Cooperative Extension System, a national educational network, is a dynamic organization pledged to meeting the country's needs for research-based educational programs that will enable people to make practical decisions to improve their

lives. To accomplish its mission, the Cooperative Extension System adjusts programs to meet the shifting needs and priorities of the people it serves.

The non-formal educational network combines the expertise and resources of Federal, State, and local partners. The partners in this unique System are: a) The National Institute of Food and Agriculture at the U.S. Department of Agriculture; b) Extension professionals at land-grant universities throughout the United States and its territories; and c) Extension professionals in nearly all of the Nation's 3,150 counties. Thousands of paraprofessionals and nearly 3 million volunteers support this partnership and magnify its impact. Strong linkages with both public and private external groups are also crucial to the Cooperative Extension System's strength and vitality.

Programs supported with Smith-Lever 3(b) and (c) legislated formula funds are the major educational efforts central to the mission of the System and common to most Extension units. These programs are the foundation of the Extension organization and partnership that are intended to increase the number of community-based projects, families, and individuals reached to disseminate research findings as widely and quickly as possible. The use of electronic mail, satellite transmission of courses, and computer-assisted instruction are encouraged to communicate ideas. The 2013 Budget proposes Smith-Lever 3(b) and (c) programs to be funded at \$292.4 million, which is a \$1.6 million decrease from the 2012 enacted level.

Extension resources are provided to the States by these formula funds and competitively-awarded programs such as sustainable agriculture. Smith-Lever 3(b) and (c) funds and payments to the 1890 colleges and Tuskegee University and West Virginia State University, funded at \$42.6 million in the 2013 Budget request, provide funds to support the Extension's infrastructure.

Designated programs funded by Smith-Lever 3(d) include the Expanded Food and Nutrition Education Program (EFNEP); New Technologies for Agricultural Extension; Children, Youth and Families at Risk; Farm Safety Program and Youth Farm Safety Education and Certification; Sustainable Agriculture; and Federally-Recognized Tribes Extension Program. The 2013 Budget includes \$90.4 million for these programs. Other Extension programs supported in the 2013 Budget include Extension Services at 1994 Institutions at \$4.3 million, Renewable Resources Extension Act at \$4.0 million, 1890 Facilities Grants at \$19.7 million, and Women and Minorities in Science, Technology, Engineering, and Mathematics Fields at \$0.4 million.

*Beginning Farmer and Rancher Development Program.*—This mandatory program, authorized by section 7410 of the Food, Conservation, and Energy Act of 2008 (FCEA), 2008 Farm Bill, provides funding to support the development of education, outreach, curricula, workshops, educational teams, training, and technical assistance programs to assist beginning farmers and ranchers in the United States and its territories in entering, building, and managing successful farm and ranch enterprises. This program also provides support for an online electronic and library clearinghouse to provide associated support to individually funded projects, and the overall program. The program expires at the end of September 2012.

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

| Identification code 12-0502-0-1-352                    | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                    |             |           |           |
| 11.1 Personnel compensation: Full-time permanent ..... | 13          | 14        | 14        |
| 12.1 Civilian personnel benefits .....                 | 3           | 3         | 3         |
| 21.0 Travel and transportation of persons .....        | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....     | 2           | 2         | 2         |
| 25.4 Operation and maintenance of facilities .....     | 1           | 1         | 1         |

|      |                                            |     |     |     |
|------|--------------------------------------------|-----|-----|-----|
| 25.5 | Research and development contracts .....   | 1   | 1   | 1   |
| 41.0 | Grants, subsidies, and contributions ..... | 468 | 486 | 445 |
| 99.0 | Direct obligations .....                   | 489 | 508 | 467 |
| 99.0 | Reimbursable obligations .....             | 51  | 50  | 50  |
| 99.9 | Total new obligations .....                | 540 | 558 | 517 |

**Employment Summary**

| Identification code 12-0502-0-1-352                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 155         | 155       | 152       |

**ANIMAL AND PLANT HEALTH INSPECTION SERVICE**

**Federal Funds**

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Animal and Plant Health Inspection Service, including up to \$30,000 for representation allowances and for expenses pursuant to the Foreign Service Act of 1980 (22 U.S.C. 4085), **[\$816,534,000]** \$762,418,000, of which **[\$1,000,000]** \$1,984,000, to **[be]** remain available until expended, shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds ("contingency fund") to the extent necessary to meet emergency conditions; of which **[\$17,848,000]** \$8,915,000, to remain available until expended, shall be used for the cotton pests program for cost share purposes or for debt retirement for active eradication zones; of which **[\$32,500,000]** \$37,858,000, to remain available until expended, shall be for Animal Health Technical Services; of which **[\$696,000]** \$493,000 shall be for activities under the authority of the Horse Protection Act of 1970, as amended (15 U.S.C. 1831); of which **[\$52,000,000]** \$49,741,000, to remain available until expended, shall be used to support avian health; of which **[\$4,335,000]** \$4,167,000, to remain available until expended, shall be for information technology infrastructure; of which **[\$153,950,000]** \$151,055,000, to remain available until expended, shall be for specialty crop pests; of which, **[\$9,068,000]** \$8,867,000, to remain available until expended, shall be for field crop and rangeland ecosystem pests; of which **[\$55,638,000]** \$43,919,000, to remain available until expended, shall be for tree and wood pests; of which **[\$2,750,000]** \$2,265,000, to remain available until expended, shall be for the National Veterinary Stockpile; of which up to \$1,500,000, to remain available until expended, shall be for the scrapie program for indemnities; **[of which \$1,000,000, to remain available until expended, shall be for wildlife services methods development;]** of which \$1,500,000, to remain available until expended, shall be for the wildlife damage management program for aviation safety**;** and up to 25 percent of **]** : *Provided, That, of amounts available under this heading for wildlife services methods development, \$1,000,000 shall remain available until expended: Provided further, That, of amounts available under this heading for the screwworm program, \$4,971,000 shall remain available until expended: Provided further, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 percent: Provided further, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: Provided further, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as may be deemed necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with sections 10411 and 10417 of the Animal Health Protection Act (7 U.S.C. 8310 and 8316) and sections 431 and 442 of the Plant Protection Act (7 U.S.C. 7751 and 7772), and any unexpended balances of funds transferred for such emergency purposes in the preceding fiscal year shall be merged with such transferred amounts: Provided further, That appropriations hereunder shall be available pursuant to law (7 U.S.C. 2250) for the repair*

SALARIES AND EXPENSES—Continued

and alteration of leased buildings and improvements, but unless otherwise provided the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

In fiscal year [2012] 2013, the agency is authorized to collect fees to cover the total costs of providing technical assistance, goods, or services requested by States, other political subdivisions, domestic and international organizations, foreign governments, or individuals, provided that such fees are structured such that any entity's liability for such fees is reasonably based on the technical assistance, goods, or services provided to the entity by the agency, and such fees shall be reimbursed to this account, to remain available until expended, without further appropriation, for providing such assistance, goods, or services. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 12-1600-0-1-352                            | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year                                    |             |           |           |
| Receipts:                                                      |             |           |           |
| 0200 1990 Food, Agricultural Quarantine Inspection Fees        | 535         | 540       | 545       |
| 0220 Fees, Animal and Plant Health Inspection User Fee Account |             |           | 20        |
| 0299 Total receipts and collections                            | 535         | 540       | 565       |
| 0400 Total: Balances and collections                           | 535         | 540       | 565       |
| Appropriations:                                                |             |           |           |
| 0500 Salaries and Expenses                                     | -535        | -540      | -545      |
| 0799 Balance, end of year                                      |             |           | 20        |

Program and Financing (in millions of dollars)

| Identification code 12-1600-0-1-352                            | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                        |             |           |           |
| 0001 Animal Health                                             | 328         | 305       | 283       |
| 0002 Plant Health                                              | 336         | 322       | 316       |
| 0003 Wildlife Services                                         | 89          | 91        | 84        |
| 0004 Regulatory Management                                     | 28          | 34        | 33        |
| 0005 Emergency Management                                      | 19          | 21        | 19        |
| 0006 Safe Trade and International Technical Assistance         | 33          | 33        | 31        |
| 0007 Animal Welfare                                            | 24          | 28        | 25        |
| 0008 Agency Management                                         | 11          | 10        | 9         |
| 0009 Other Direct Funding                                      | 5           |           |           |
| 0010 Emergency Program Funding                                 | 41          | 5         |           |
| 0011 Agricultural Quarantine Inspection User Fees              | 191         | 192       | 193       |
| 0012 H1N1 Transfer From HHS                                    | 3           | 10        | 7         |
| 0013 2008 Farm Bill, Sections 10201 and 10202                  | 52          | 56        | 50        |
| 0014 Homeland Security Supplemental                            | 1           |           |           |
| 0100 Total direct program                                      | 1,161       | 1,107     | 1,050     |
| 0799 Total direct obligations                                  | 1,161       | 1,107     | 1,050     |
| 0801 Reimbursable program                                      | 159         | 159       | 160       |
| 0900 Total new obligations                                     | 1,320       | 1,266     | 1,210     |
| <b>Budgetary Resources:</b>                                    |             |           |           |
| Unobligated balance:                                           |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1                | 243         | 280       | 254       |
| 1021 Recoveries of prior year unpaid obligations               | 23          |           |           |
| 1050 Unobligated balance (total)                               | 266         | 280       | 254       |
| Budget authority:                                              |             |           |           |
| Appropriations, discretionary:                                 |             |           |           |
| 1100 Appropriation                                             | 865         | 817       | 762       |
| 1121 Transferred from other accounts [12-4336]                 | 11          |           |           |
| 1130 Appropriations permanently reduced                        | -2          |           |           |
| 1131 Unobligated balance of appropriations permanently reduced | -11         |           |           |
| 1160 Appropriation, discretionary (total)                      | 863         | 817       | 762       |
| Appropriations, mandatory:                                     |             |           |           |
| 1201 Appropriation (AQI User Fees)                             | 535         | 540       | 545       |
| 1220 Transferred to other accounts [70-0530]                   | -319        | -325      | -329      |
| 1221 Transferred from other accounts [12-4336]                 | 55          | 55        | 50        |
| 1260 Appropriations, mandatory (total)                         | 271         | 270       | 266       |
| Spending authority from offsetting collections, discretionary: |             |           |           |
| 1700 Collected                                                 | 151         | 153       | 154       |
| 1701 Change in uncollected payments, Federal sources           | 59          |           |           |
| 1750 Spending auth from offsetting collections, disc (total)   | 210         | 153       | 154       |

|                                                                 |        |        |        |
|-----------------------------------------------------------------|--------|--------|--------|
| 1900 Budget authority (total)                                   | 1,344  | 1,240  | 1,182  |
| 1930 Total budgetary resources available                        | 1,610  | 1,520  | 1,436  |
| Memorandum (non-add) entries:                                   |        |        |        |
| 1940 Unobligated balance expiring                               | -10    |        |        |
| 1941 Unexpired unobligated balance, end of year                 | 280    | 254    | 226    |
| <b>Change in obligated balance:</b>                             |        |        |        |
| Obligated balance, start of year (net):                         |        |        |        |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross)         | 432    | 414    | 325    |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1     | -23    | -75    | -75    |
| 3020 Obligated balance, start of year (net)                     | 409    | 339    | 250    |
| 3030 Obligations incurred, unexpired accounts                   | 1,320  | 1,266  | 1,210  |
| 3031 Obligations incurred, expired accounts                     | 260    |        |        |
| 3040 Outlays (gross)                                            | -1,315 | -1,355 | -1,281 |
| 3050 Change in uncollected pymts, Fed sources, unexpired        | -59    |        |        |
| 3051 Change in uncollected pymts, Fed sources, expired          | 7      |        |        |
| 3080 Recoveries of prior year unpaid obligations, unexpired     | -23    |        |        |
| 3081 Recoveries of prior year unpaid obligations, expired       | -260   |        |        |
| Obligated balance, end of year (net):                           |        |        |        |
| 3090 Unpaid obligations, end of year (gross)                    | 414    | 325    | 254    |
| 3091 Uncollected pymts, Fed sources, end of year                | -75    | -75    | -75    |
| 3100 Obligated balance, end of year (net)                       | 339    | 250    | 179    |
| <b>Budget authority and outlays, net:</b>                       |        |        |        |
| Discretionary:                                                  |        |        |        |
| 4000 Budget authority, gross                                    | 1,073  | 970    | 916    |
| Outlays, gross:                                                 |        |        |        |
| 4010 Outlays from new discretionary authority                   | 810    | 847    | 802    |
| 4011 Outlays from discretionary balances                        | 288    | 239    | 209    |
| 4020 Outlays, gross (total)                                     | 1,098  | 1,086  | 1,011  |
| Offsets against gross budget authority and outlays:             |        |        |        |
| Offsetting collections (collected) from:                        |        |        |        |
| 4030 Federal sources                                            | -42    | -32    | -32    |
| 4033 Non-Federal sources                                        | -117   | -121   | -122   |
| 4040 Offsets against gross budget authority and outlays (total) | -159   | -153   | -154   |
| Additional offsets against gross budget authority only:         |        |        |        |
| 4050 Change in uncollected pymts, Fed sources, unexpired        | -59    |        |        |
| 4052 Offsetting collections credited to expired accounts        | 8      |        |        |
| 4060 Additional offsets against budget authority only (total)   | -51    |        |        |
| 4070 Budget authority, net (discretionary)                      | 863    | 817    | 762    |
| 4080 Outlays, net (discretionary)                               | 939    | 933    | 857    |
| Mandatory:                                                      |        |        |        |
| 4090 Budget authority, gross                                    | 271    | 270    | 266    |
| Outlays, gross:                                                 |        |        |        |
| 4100 Outlays from new mandatory authority                       | 176    | 224    | 223    |
| 4101 Outlays from mandatory balances                            | 41     | 45     | 47     |
| 4110 Outlays, gross (total)                                     | 217    | 269    | 270    |
| 4180 Budget authority, net (total)                              | 1,134  | 1,087  | 1,028  |
| 4190 Outlays, net (total)                                       | 1,156  | 1,202  | 1,127  |

The Secretary of Agriculture established the Animal and Plant Health Inspection Service (APHIS) on April 2, 1972, under the authority of Reorganization Plan No. 2 of 1953 and other authorities. The mission of the Agency is to protect the health and value of American agriculture and natural resources and is carried out using three major areas of activity, as follows:

Safeguarding and Emergency Preparedness/Response - APHIS monitors plant and animal health throughout the world and uses the information to set effective agricultural import policies to prevent the introduction of foreign plant and animal pests and diseases. Should a pest or disease enter the United States, APHIS works cooperatively with other Federal, State, and industry partners to conduct plant and animal health monitoring programs to rapidly diagnose them and determine if there is a need to establish new pest or disease management programs. APHIS, in conjunction with States, industry, and other stakeholders, protects American agriculture by eradicating harmful pests and diseases or, where eradication is not feasible, by minimizing their economic impact. APHIS makes judicious use of resources by identifying instances when neither eradication nor management may be possible. The Agency monitors endemic pests and diseases through surveys to detect their locations and works with States and other programs to enact regulatory controls and con-



duct outreach to prevent the spread of pests and diseases into non-infested parts of the country. The Agency maintains a cadre of trained professionals prepared to respond immediately to potential animal and plant health emergencies. Program personnel investigate reports of suspected exotic pests and diseases and take emergency action if necessary. Through its Wildlife Services program, APHIS protects agriculture from damage caused by animal predators through identification, demonstration, and application of the most appropriate methods of control. The Agency's regulations also allow the benefits of genetic research to safely enter the marketplace, while protecting against the release of potentially harmful organisms into the environment. APHIS also conducts diagnostic laboratory activities that support the Agency's veterinary disease and plant pest prevention, detection, control, and eradication programs. The Agency also provides and directs technology development to support plant and animal protection programs of the Agency and its cooperators at the State, national, and international levels.

Safe Trade and International Technical Assistance - Sanitary (animal) and phytosanitary (plant) (SPS) regulations can have a significant impact on market access for the United States as an exporter of agricultural products. APHIS plays a central role in resolving technical trade issues to ensure the smooth and safe movement of agricultural commodities into and out of the United States. APHIS helps to protect the United States from emerging plant and animal pests and diseases while meeting obligations under the World Trade Organization's SPS agreement by assisting developing countries in improving their safeguarding systems. APHIS develops and implements programs designed to identify and reduce agricultural pest and disease threats while still outside of U.S. borders, to enhance safe agricultural trade, and to strengthen emergency response preparedness.

Animal Welfare - The Agency conducts regulatory activities to ensure the humane care and treatment of animals, including horses, as required by the Animal Welfare Act of 1966 as amended (7 U.S.C. 2131–2159), and the Horse Protection Act of 1970 as amended (15 U.S.C. 1821–1831). These activities include inspection of certain establishments that handle animals intended for research, exhibition, and sale as pets, and monitoring of certain horse shows.

APHIS' 2013 budget request of \$762 million is an overall reduction of \$54 million from 2012. One priority for APHIS is continuing implementation of the revamped Animal Disease Traceability program. The Agency has proposed an increase to support the efforts, while proposing reductions in other areas. Some reductions are a result of programs achieving success, such as nearing eradication for the cotton pests of pink bollworm and boll weevil, and the Agency's enhanced ability to prepare for, detect, and respond to avian health issues. Other reductions are due to a change in focus for managing pests and diseases such as the movement towards education and outreach to prevent the human assisted spread of tree and wood pests, and the changing Federal responsibilities and contributions towards addressing cervid health issues where success relies heavily on the actions of producers and industry.

In an effort to further right-size activities, APHIS reviewed animal health surveillance plans and identified areas where current plans exceed what is required for international trading standards as well as collection approaches to increase efficiencies, resulting in significant savings for the Agency in 2013 represented in the animal health lines. Additionally, the Agency identified \$5.3 million in reductions related to changes in efficient operations and practices.

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

| Identification code 12-1600-0-1-352                   | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                            |             |           |           |
| <b>Personnel compensation:</b>                        |             |           |           |
| 11.1 Full-time permanent .....                        | 443         | 438       | 427       |
| 11.3 Other than full-time permanent .....             | 6           | 5         | 4         |
| 11.5 Other personnel compensation .....               | 3           | 3         | 2         |
| 11.9 Total personnel compensation .....               | 452         | 446       | 433       |
| 12.1 Civilian personnel benefits .....                | 145         | 144       | 139       |
| 13.0 Benefits for former personnel .....              | 2           | 4         | 2         |
| 21.0 Travel and transportation of persons .....       | 26          | 28        | 28        |
| 22.0 Transportation of things .....                   | 2           | 2         | 2         |
| 23.1 Rent, Communications, and Utilities .....        | 37          | 37        | 37        |
| 24.0 Printing and reproduction .....                  | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....    | 418         | 356       | 330       |
| 26.0 Supplies and materials .....                     | 48          | 52        | 48        |
| 31.0 Equipment .....                                  | 19          | 18        | 15        |
| 32.0 Land and structures .....                        |             | 1         | 1         |
| 41.0 Other grants, subsidies, and contributions ..... | 8           | 17        | 13        |
| 42.0 Other insurance claims and indemnities .....     | 3           | 1         | 1         |
| 99.0 Direct obligations .....                         | 1,161       | 1,107     | 1,050     |
| 99.0 Reimbursable obligations .....                   | 159         | 159       | 160       |
| 99.9 Total new obligations .....                      | 1,320       | 1,266     | 1,210     |

**Employment Summary**

| Identification code 12-1600-0-1-352                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 6,152       | 6,059     | 5,905     |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 1,627       | 1,627     | 1,627     |

**BUILDINGS AND FACILITIES**

For plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, **[\$3,200,000]** \$3,175,000, to remain available until expended. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

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

| Identification code 12-1601-0-1-352                                  | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                              |             |           |           |
| 0001 Buildings and facilities .....                                  | 8           | 4         | 3         |
| 0900 Total new obligations (object class 25.2) .....                 | 8           | 4         | 3         |
| <b>Budgetary Resources:</b>                                          |             |           |           |
| <b>Unobligated balance:</b>                                          |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                | 7           | 2         | 1         |
| <b>Budget authority:</b>                                             |             |           |           |
| <b>Appropriations, discretionary:</b>                                |             |           |           |
| 1100 Appropriation .....                                             | 4           | 3         | 3         |
| 1131 Unobligated balance of appropriations permanently reduced ..... | -1          |           |           |
| 1160 Appropriation, discretionary (total) .....                      | 3           | 3         | 3         |
| 1930 Total budgetary resources available .....                       | 10          | 5         | 4         |
| <b>Memorandum (non-add) entries:</b>                                 |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                | 2           | 1         | 1         |
| <b>Change in obligated balance:</b>                                  |             |           |           |
| <b>Obligated balance, start of year (net):</b>                       |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....        | 5           | 8         | 8         |
| 3030 Obligations incurred, unexpired accounts .....                  | 8           | 4         | 3         |
| 3040 Outlays (gross) .....                                           | -5          | -4        | -6        |
| <b>Obligated balance, end of year (net):</b>                         |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                   | 8           | 8         | 5         |
| 3100 Obligated balance, end of year (net) .....                      | 8           | 8         | 5         |
| <b>Budget authority and outlays, net:</b>                            |             |           |           |
| <b>Discretionary:</b>                                                |             |           |           |
| 4000 Budget authority, gross .....                                   | 3           | 3         | 3         |

**BUILDINGS AND FACILITIES—Continued**  
**Program and Financing—Continued**

| Identification code 12-1601-0-1-352                 | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------|-------------|-----------|-----------|
| Outlays, gross:                                     |             |           |           |
| 4010 Outlays from new discretionary authority ..... | 1           | 1         | 1         |
| 4011 Outlays from discretionary balances .....      | 4           | 3         | 5         |
| 4020 Outlays, gross (total) .....                   | 5           | 4         | 6         |
| 4180 Budget authority, net (total) .....            | 3           | 3         | 3         |
| 4190 Outlays, net (total) .....                     | 5           | 4         | 6         |

The buildings and facilities account provides for plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, purchase of fixed equipment or facilities, and acquisition of land, as needed, for Animal and Plant Health Inspection Service (APHIS) operated facilities, which include animal quarantine stations, border inspection stations, sterile insect rearing facilities, and laboratories.

For these activities, the 2013 Budget proposes \$3.175 million which includes funding to address safety issues with several facilities.

**Trust Funds**

**MISCELLANEOUS TRUST FUNDS**

**Special and Trust Fund Receipts** (in millions of dollars)

| Identification code 12-9971-0-7-352                           | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year .....                             |             |           |           |
| Receipts:                                                     |             |           |           |
| 0220 Deposits of Miscellaneous Contributed Funds, APHIS ..... | 9           | 12        | 12        |
| 0400 Total: Balances and collections .....                    | 9           | 12        | 12        |
| Appropriations:                                               |             |           |           |
| 0500 Miscellaneous Trust Funds .....                          | -9          | -12       | -12       |
| 0799 Balance, end of year .....                               |             |           |           |

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

| Identification code 12-9971-0-7-352                               | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                           |             |           |           |
| 0001 Miscellaneous trust funds .....                              | 15          | 16        | 16        |
| <b>Budgetary Resources:</b>                                       |             |           |           |
| Unobligated balance:                                              |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....             | 18          | 13        | 9         |
| 1021 Recoveries of prior year unpaid obligations .....            | 1           |           |           |
| 1050 Unobligated balance (total) .....                            | 19          | 13        | 9         |
| Budget authority:                                                 |             |           |           |
| Appropriations, mandatory:                                        |             |           |           |
| 1201 Appropriation (special or trust fund) .....                  | 9           | 12        | 12        |
| 1260 Appropriations, mandatory (total) .....                      | 9           | 12        | 12        |
| 1930 Total budgetary resources available .....                    | 28          | 25        | 21        |
| Memorandum (non-add) entries:                                     |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....             | 13          | 9         | 5         |
| <b>Change in obligated balance:</b>                               |             |           |           |
| Obligated balance, start of year (net):                           |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 1           | 1         | 4         |
| 3030 Obligations incurred, unexpired accounts .....               | 15          | 16        | 16        |
| 3040 Outlays (gross) .....                                        | -14         | -13       | -12       |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -1          |           |           |
| Obligated balance, end of year (net):                             |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                | 1           | 4         | 8         |
| 3100 Obligated balance, end of year (net) .....                   | 1           | 4         | 8         |
| <b>Budget authority and outlays, net:</b>                         |             |           |           |
| Mandatory:                                                        |             |           |           |
| 4090 Budget authority, gross .....                                | 9           | 12        | 12        |
| Outlays, gross:                                                   |             |           |           |
| 4100 Outlays from new mandatory authority .....                   | 9           | 7         | 7         |

|                                            |    |    |    |
|--------------------------------------------|----|----|----|
| 4101 Outlays from mandatory balances ..... | 5  | 6  | 5  |
| 4110 Outlays, gross (total) .....          | 14 | 13 | 12 |
| 4180 Budget authority, net (total) .....   | 9  | 12 | 12 |
| 4190 Outlays, net (total) .....            | 14 | 13 | 12 |

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

*Miscellaneous contributed funds.*—Funds are received from States, local organizations, individuals, and others and are available for plant and animal quarantine inspection and cooperative plant and animal disease and pest control activities (7 U.S.C. 450b, 2220).

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

| Identification code 12-9971-0-7-352                    | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                    |             |           |           |
| 11.1 Personnel compensation: Full-time permanent ..... | 7           | 9         | 9         |
| 12.1 Civilian personnel benefits .....                 | 2           | 2         | 2         |
| 21.0 Travel and transportation of persons .....        | 3           | 2         | 2         |
| 25.2 Other services from non-Federal sources .....     | 2           | 2         | 2         |
| 26.0 Supplies and materials .....                      | 1           | 1         | 1         |
| 99.9 Total new obligations .....                       | 15          | 16        | 16        |

**Employment Summary**

| Identification code 12-9971-0-7-352                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 150         | 150       | 150       |

**FOOD SAFETY AND INSPECTION SERVICE**

**Federal Funds**

**FOOD SAFETY AND INSPECTION SERVICE**

For necessary expenses to carry out services authorized by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act, including not to exceed \$50,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), **[\$1,004,427,000] \$995,503,000**; and in addition, \$1,000,000 may be credited to this account from fees collected for the cost of laboratory accreditation as authorized by section 1327 of the Food, Agriculture, Conservation and Trade Act of 1990 (7 U.S.C. 138f): *Provided*, That funds provided for the Public Health Data Communication Infrastructure system shall remain available until expended: *Provided further*, That no fewer than 148 full-time equivalent positions shall be employed during fiscal year **[2012] 2013** for purposes dedicated solely to inspections and enforcement related to the Humane Methods of Slaughter Act: *Provided further*, That the Food Safety and Inspection Service shall continue implementation of section 11016 of Public Law 110-246: *Provided further*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

**Special and Trust Fund Receipts** (in millions of dollars)

| Identification code 12-3700-0-1-554                      | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year .....                        |             |           |           |
| Receipts:                                                |             |           |           |
| 0220 Fees, Food Safety Inspection User Fee Account ..... |             |           | 13        |
| 0400 Total: Balances and collections .....               |             |           | 13        |
| 0799 Balance, end of year .....                          |             |           | 13        |

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

| Identification code 12-3700-0-1-554                                  | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                              |             |           |           |
| 0001 Salaries and expenses .....                                     | 1,007       | 1,005     | 996       |
| 0801 Reimbursable program .....                                      | 168         | 153       | 153       |
| 0900 Total new obligations .....                                     | 1,175       | 1,158     | 1,149     |
| <b>Budgetary Resources:</b>                                          |             |           |           |
| Unobligated balance:                                                 |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                | 23          | 6         | 5         |
| Budget authority:                                                    |             |           |           |
| Appropriations, discretionary:                                       |             |           |           |
| 1100 Appropriation .....                                             | 1,009       | 1,004     | 996       |
| 1120 Transferred to other accounts [12-3700] .....                   | -26         | -35       |           |
| 1121 Transferred from other accounts [12-3700] .....                 | 26          | 35        |           |
| 1130 Appropriations permanently reduced .....                        | -2          |           |           |
| 1160 Appropriation, discretionary (total) .....                      | 1,007       | 1,004     | 996       |
| Spending authority from offsetting collections, discretionary:       |             |           |           |
| 1700 Collected .....                                                 | 153         | 153       | 153       |
| 1701 Change in uncollected payments, Federal sources .....           | -1          |           |           |
| 1750 Spending auth from offsetting collections, disc (total) .....   | 152         | 153       | 153       |
| 1900 Budget authority (total) .....                                  | 1,159       | 1,157     | 1,149     |
| 1930 Total budgetary resources available .....                       | 1,182       | 1,163     | 1,154     |
| Memorandum (non-add) entries:                                        |             |           |           |
| 1940 Unobligated balance expiring .....                              | -1          |           |           |
| 1941 Unexpired unobligated balance, end of year .....                | 6           | 5         | 5         |
| <b>Change in obligated balance:</b>                                  |             |           |           |
| Obligated balance, start of year (net):                              |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....        | 200         | 186       | 188       |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....    | -32         | -28       | -28       |
| 3020 Obligated balance, start of year (net) .....                    | 168         | 158       | 160       |
| 3030 Obligations incurred, unexpired accounts .....                  | 1,175       | 1,158     | 1,149     |
| 3031 Obligations incurred, expired accounts .....                    | 9           |           |           |
| 3040 Outlays (gross) .....                                           | -1,186      | -1,156    | -1,151    |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....       | 1           |           |           |
| 3051 Change in uncollected pymts, Fed sources, expired .....         | 3           |           |           |
| 3081 Recoveries of prior year unpaid obligations, expired .....      | -12         |           |           |
| Obligated balance, end of year (net):                                |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                   | 186         | 188       | 186       |
| 3091 Uncollected pymts, Fed sources, end of year .....               | -28         | -28       | -28       |
| 3100 Obligated balance, end of year (net) .....                      | 158         | 160       | 158       |
| <b>Budget authority and outlays, net:</b>                            |             |           |           |
| Discretionary:                                                       |             |           |           |
| 4000 Budget authority, gross .....                                   | 1,159       | 1,157     | 1,149     |
| Outlays, gross:                                                      |             |           |           |
| 4010 Outlays from new discretionary authority .....                  | 1,018       | 987       | 981       |
| 4011 Outlays from discretionary balances .....                       | 168         | 169       | 170       |
| 4020 Outlays, gross (total) .....                                    | 1,186       | 1,156     | 1,151     |
| Offsets against gross budget authority and outlays:                  |             |           |           |
| Offsetting collections (collected) from:                             |             |           |           |
| 4030 Federal sources .....                                           | -2          | -2        | -2        |
| 4033 Non-Federal sources .....                                       | -153        | -151      | -151      |
| 4040 Offsets against gross budget authority and outlays (total) .... | -155        | -153      | -153      |
| Additional offsets against gross budget authority only:              |             |           |           |
| 4050 Change in uncollected pymts, Fed sources, unexpired .....       | 1           |           |           |
| 4052 Offsetting collections credited to expired accounts .....       | 2           |           |           |
| 4060 Additional offsets against budget authority only (total) .....  | 3           |           |           |
| 4070 Budget authority, net (discretionary) .....                     | 1,007       | 1,004     | 996       |
| 4080 Outlays, net (discretionary) .....                              | 1,031       | 1,003     | 998       |
| 4180 Budget authority, net (total) .....                             | 1,007       | 1,004     | 996       |
| 4190 Outlays, net (total) .....                                      | 1,031       | 1,003     | 998       |

The primary objective of the Food Safety and Inspection Service (FSIS) is to ensure that meat, poultry, and egg products are wholesome, unadulterated, and properly labeled and packaged, as required by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act. In carrying out this mission, FSIS oversight responsibility covers a significant percentage of American spending on food. Providing adequate resources for Federal food safety agencies is a priority of the Administration. The 2013 Budget proposes \$995.5 million for inspection of meat, poultry and egg products, which is a \$8.9

million decrease from the 2012 enacted level. The proposed budget contains an increase for installing time clocks in plants for accurate timekeeping and a decrease due to implementation of new methods of poultry inspection. In addition, the budget proposes two user fees. The first is a performance-based user fee, which will be charged to plants that have sample failures or require additional inspection activities due to regulatory non-compliance. The second one is a basic inspection user fee that would recover a part of the cost of providing basic inspections at covered establishments and plants, as determined by the Secretary.

**FEDERALLY FUNDED INSPECTION ACTIVITIES**

| FEDERALLY FUNDED INSPECTION ACTIVITIES                                      | 2011 actual | 2012 est.  | 2013 est.  |
|-----------------------------------------------------------------------------|-------------|------------|------------|
| <b>Federally inspected establishments:</b>                                  |             |            |            |
| Slaughter Plants: .....                                                     | 128         | 130        | 130        |
| Processing Plants: .....                                                    | 3,930       | 3,999      | 3,999      |
| Combination slaughter and processing plants .....                           | 844         | 859        | 859        |
| Talmadge-Aiken plants .....                                                 | 364         | 370        | 370        |
| Import Establishments .....                                                 | 138         | 138        | 138        |
| Egg plants .....                                                            | 83          | 84         | 84         |
| Other plants .....                                                          | 803         | 817        | 817        |
| <b>Federally inspected and passed production (millions of pounds):</b>      |             |            |            |
| Meat Slaughter .....                                                        | 49,294      | 49,511     | 49,729     |
| Poultry Slaughter .....                                                     | 58,301      | 58,557     | 58,815     |
| Egg products .....                                                          | 3,908       | 3,925      | 3,942      |
| <b>Import/export activity (millions of pounds):</b>                         |             |            |            |
| Meat and poultry imported .....                                             | 2,900       | 3,100      | 3,200      |
| Meat and poultry exported .....                                             | 16,970      | 17,170     | 17,500     |
| <b>Intrastate inspection:<sup>1</sup></b>                                   |             |            |            |
| Intrastate inspection .....                                                 | 27          | 27         | 27         |
| Talmadge-Aiken inspection .....                                             | 9           | 9          | 9          |
| Number of slaughter and/or processing plants (excludes exempt plants) ..... | 1,711       | 1,733      | 1,733      |
| <b>Compliance activities:</b>                                               |             |            |            |
| Investigations and surveillance activities .....                            | 14,012      | 14,100     | 14,200     |
| Enforcement actions completed .....                                         | 1,493       | 1,510      | 1,520      |
| <b>Product Testing (samples analyzed):</b>                                  |             |            |            |
| Food Chemistry .....                                                        | 2,245       | 2,245      | 2,245      |
| Food Microbiology .....                                                     | 95,958      | 95,958     | 95,958     |
| Chemical Residues .....                                                     | 26,443      | 26,443     | 26,443     |
| Antibiotic Residues .....                                                   | 210,365     | 210,365    | 210,365    |
| Pathology Samples .....                                                     | 5,284       | 5,284      | 5,284      |
| <b>Egg Products:</b>                                                        |             |            |            |
| Food microbiology .....                                                     | 1,651       | 1,651      | 1,651      |
| <b>Consumer Education and public outreach:</b>                              |             |            |            |
| Meat and poultry hotline calls received .....                               | 64,609      | 65,000     | 65,000     |
| Website visits .....                                                        | 22,856,878  | 22,857,000 | 22,857,000 |
| Electronic messages received .....                                          | 4,216       | 4,300      | 4,300      |
| Publications distributed <sup>2</sup> .....                                 | 802,740     | 750,000    | 700,000    |
| E-mail alert service subscribers .....                                      | 99,903      | 100,000    | 100,000    |
| <b>Epidemiological Investigations:</b>                                      |             |            |            |
| Cooperative efforts with State and public health offices .....              | 40          | 59         | 59         |
| Illnesses reported and treated <sup>3</sup> .....                           | 1,127       | 3,150      | 3,150      |

<sup>1</sup>States with cooperative agreements which are operating programs.

<sup>2</sup>Did not print or reprint publications due to financial constraints and increased use of social media and web-based publications.

<sup>3</sup>Data must be collected over a number of years to chart national trends and estimate the incidence of foodborne illness and treatment.

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

| Identification code 12-3700-0-1-554                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| <b>Personnel compensation:</b>                                  |             |           |           |
| 11.1 Full-time permanent .....                                  | 551         | 551       | 540       |
| 11.3 Other than full-time permanent .....                       | 12          | 12        | 12        |
| 11.5 Other personnel compensation .....                         | 39          | 39        | 39        |
| 11.9 Total personnel compensation .....                         | 602         | 602       | 591       |
| 12.1 Civilian personnel benefits .....                          | 208         | 208       | 203       |
| 13.0 Benefits for former personnel .....                        | 1           | 1         | 1         |
| 21.0 Travel and transportation of persons .....                 | 43          | 41        | 40        |
| 22.0 Transportation of things .....                             | 2           | 2         | 3         |
| 23.1 Rental payments to GSA .....                               | 1           | 1         | 1         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 14          | 14        | 14        |
| 24.0 Printing and reproduction .....                            | 1           | 1         | 1         |
| 25.1 Advisory and assistance services .....                     | 3           | 3         | 3         |
| 25.2 Other services from non-Federal sources .....              | 43          | 43        | 49        |
| 25.3 Other goods and services from Federal sources .....        | 19          | 19        | 19        |
| 25.7 Operation and maintenance of equipment .....               | 1           | 1         | 2         |
| 26.0 Supplies and materials .....                               | 12          | 12        | 12        |
| 31.0 Equipment .....                                            | 4           | 4         | 5         |

FOOD SAFETY AND INSPECTION SERVICE—Continued  
Object Classification—Continued

| Identification code 12-3700-0-1-554             | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------|-------------|-----------|-----------|
| 41.0 Grants, subsidies, and contributions ..... | 52          | 51        | 50        |
| 99.0 Direct obligations .....                   | 1,006       | 1,003     | 994       |
| 99.0 Reimbursable obligations .....             | 168         | 153       | 153       |
| 99.5 Below reporting threshold .....            | 1           | 2         | 2         |
| 99.9 Total new obligations .....                | 1,175       | 1,158     | 1,149     |

Employment Summary

| Identification code 12-3700-0-1-554                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 9,465       | 9,540     | 9,040     |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 27          | 27        | 27        |

Trust Funds

EXPENSES AND REFUNDS, INSPECTION AND GRADING OF FARM PRODUCTS

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 12-8137-0-7-352                                                                   | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year .....                                                                     |             |           |           |
| Receipts:                                                                                             |             |           |           |
| 0220 Deposits of Fees, Inspection and Grading of Farm Products, Food Safety and Quality Service ..... | 11          | 10        | 10        |
| 0400 Total: Balances and collections .....                                                            | 11          | 10        | 10        |
| Appropriations:                                                                                       |             |           |           |
| 0500 Expenses and Refunds, Inspection and Grading of Farm Products .....                              | -11         | -10       | -10       |
| 0799 Balance, end of year .....                                                                       |             |           |           |

Program and Financing (in millions of dollars)

| Identification code 12-8137-0-7-352                                      | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                  |             |           |           |
| 0001 Expenses and refunds, inspection and grading of farm products ..... | 12          | 10        | 10        |

Budgetary Resources:

|                                                       |    |    |    |
|-------------------------------------------------------|----|----|----|
| <b>Unobligated balance:</b>                           |    |    |    |
| 1000 Unobligated balance brought forward, Oct 1 ..... | 4  | 3  | 3  |
| <b>Budget authority:</b>                              |    |    |    |
| <b>Appropriations, mandatory:</b>                     |    |    |    |
| 1201 Appropriation (special or trust fund) .....      | 11 | 10 | 10 |
| 1260 Appropriations, mandatory (total) .....          | 11 | 10 | 10 |
| 1900 Budget authority (total) .....                   | 11 | 10 | 10 |
| 1930 Total budgetary resources available .....        | 15 | 13 | 13 |
| <b>Memorandum (non-add) entries:</b>                  |    |    |    |
| 1941 Unexpired unobligated balance, end of year ..... | 3  | 3  | 3  |

Change in obligated balance:

|                                                               |     |     |     |
|---------------------------------------------------------------|-----|-----|-----|
| <b>Obligated balance, start of year (net):</b>                |     |     |     |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) ..... | 1   | 1   | 1   |
| 3030 Obligations incurred, unexpired accounts .....           | 12  | 10  | 10  |
| 3040 Outlays (gross) .....                                    | -12 | -10 | -10 |
| <b>Obligated balance, end of year (net):</b>                  |     |     |     |
| 3090 Unpaid obligations, end of year (gross) .....            | 1   | 1   | 1   |
| 3100 Obligated balance, end of year (net) .....               | 1   | 1   | 1   |

Budget authority and outlays, net:

|                                                 |    |    |    |
|-------------------------------------------------|----|----|----|
| <b>Mandatory:</b>                               |    |    |    |
| 4090 Budget authority, gross .....              | 11 | 10 | 10 |
| <b>Outlays, gross:</b>                          |    |    |    |
| 4100 Outlays from new mandatory authority ..... | 9  | 10 | 10 |
| 4101 Outlays from mandatory balances .....      | 3  |    |    |
| 4110 Outlays, gross (total) .....               | 12 | 10 | 10 |
| 4180 Budget authority, net (total) .....        | 11 | 10 | 10 |
| 4190 Outlays, net (total) .....                 | 12 | 10 | 10 |

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

Object Classification (in millions of dollars)

| Identification code 12-8137-0-7-352                | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                         |             |           |           |
| <b>Personnel compensation:</b>                     |             |           |           |
| 11.1 Full-time permanent .....                     | 6           | 5         | 5         |
| 11.5 Other personnel compensation .....            | 3           | 3         | 3         |
| 11.9 Total personnel compensation .....            | 9           | 8         | 8         |
| 12.1 Civilian personnel benefits .....             | 2           | 2         | 2         |
| 25.2 Other services from non-Federal sources ..... | 1           |           |           |
| 99.9 Total new obligations .....                   | 12          | 10        | 10        |

Employment Summary

| Identification code 12-8137-0-7-352                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 81          | 81        | 81        |

GRAIN INSPECTION, PACKERS AND STOCKYARDS  
ADMINISTRATION

Federal Funds

SALARIES AND EXPENSES

For necessary expenses of the Grain Inspection, Packers and Stockyards Administration, [ \$37,750,000 ] \$40,261,000: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 12-2400-0-1-352                                        | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year .....                                          |             |           |           |
| Receipts:                                                                  |             |           |           |
| 0220 Fees, Grain Inspection, Packers and Stockyards User Fee Account ..... |             |           | 27        |
| 0400 Total: Balances and collections .....                                 |             |           | 27        |
| 0799 Balance, end of year .....                                            |             |           | 27        |

Program and Financing (in millions of dollars)

| Identification code 12-2400-0-1-352       | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>   |             |           |           |
| 0001 Standardization .....                | 7           | 5         | 7         |
| 0002 Compliance .....                     | 7           | 6         | 7         |
| 0003 Methods development .....            | 5           | 6         | 5         |
| 0004 Packers and stockyards program ..... | 21          | 21        | 22        |
| 0799 Total direct obligations .....       | 40          | 38        | 41        |
| 0801 Reimbursable program .....           | 1           | 3         |           |
| 0900 Total new obligations .....          | 41          | 41        | 41        |

Budgetary Resources:

|                                                 |    |    |    |
|-------------------------------------------------|----|----|----|
| <b>Budget authority:</b>                        |    |    |    |
| <b>Appropriations, discretionary:</b>           |    |    |    |
| 1100 Appropriation .....                        | 40 | 38 | 40 |
| 1160 Appropriation, discretionary (total) ..... | 40 | 38 | 40 |

|                                                         |                                                                                   |     |     |     |
|---------------------------------------------------------|-----------------------------------------------------------------------------------|-----|-----|-----|
| 1700                                                    | Spending authority from offsetting collections, discretionary:<br>Collected ..... | 1   | 3   | 3   |
| 1750                                                    | Spending auth from offsetting collections, disc (total) .....                     | 1   | 3   | 3   |
| 1900                                                    | Budget authority (total) .....                                                    | 41  | 41  | 43  |
| 1930                                                    | Total budgetary resources available .....                                         | 41  | 41  | 43  |
| Memorandum (non-add) entries:                           |                                                                                   |     |     |     |
| 1941                                                    | Unexpired unobligated balance, end of year .....                                  |     |     | 2   |
| <b>Change in obligated balance:</b>                     |                                                                                   |     |     |     |
| Obligated balance, start of year (net):                 |                                                                                   |     |     |     |
| 3000                                                    | Unpaid obligations, brought forward, Oct 1 (gross) .....                          | 7   | 6   | 7   |
| 3010                                                    | Uncollected pymts, Fed sources, brought forward, Oct 1 .....                      | -1  |     |     |
| 3020                                                    | Obligated balance, start of year (net) .....                                      | 6   | 6   | 7   |
| 3030                                                    | Obligations incurred, unexpired accounts .....                                    | 41  | 41  | 41  |
| 3031                                                    | Obligations incurred, expired accounts .....                                      | 7   |     |     |
| 3040                                                    | Outlays (gross) .....                                                             | -42 | -34 | -43 |
| 3051                                                    | Change in uncollected pymts, Fed sources, expired .....                           | 1   |     |     |
| 3081                                                    | Recoveries of prior year unpaid obligations, expired .....                        | -7  | -6  |     |
| Obligated balance, end of year (net):                   |                                                                                   |     |     |     |
| 3090                                                    | Unpaid obligations, end of year (gross) .....                                     | 6   | 7   | 5   |
| 3100                                                    | Obligated balance, end of year (net) .....                                        | 6   | 7   | 5   |
| <b>Budget authority and outlays, net:</b>               |                                                                                   |     |     |     |
| Discretionary:                                          |                                                                                   |     |     |     |
| 4000                                                    | Budget authority, gross .....                                                     | 41  | 41  | 43  |
| Outlays, gross:                                         |                                                                                   |     |     |     |
| 4010                                                    | Outlays from new discretionary authority .....                                    | 37  | 34  | 36  |
| 4011                                                    | Outlays from discretionary balances .....                                         | 5   |     | 7   |
| 4020                                                    | Outlays, gross (total) .....                                                      | 42  | 34  | 43  |
| Offsets against gross budget authority and outlays:     |                                                                                   |     |     |     |
| Offsetting collections (collected) from:                |                                                                                   |     |     |     |
| 4030                                                    | Federal sources .....                                                             | -2  | -3  | -3  |
| Additional offsets against gross budget authority only: |                                                                                   |     |     |     |
| 4052                                                    | Offsetting collections credited to expired accounts .....                         | 1   |     |     |
| 4070                                                    | Budget authority, net (discretionary) .....                                       | 40  | 38  | 40  |
| 4080                                                    | Outlays, net (discretionary) .....                                                | 40  | 31  | 40  |
| 4180                                                    | Budget authority, net (total) .....                                               | 40  | 38  | 40  |
| 4190                                                    | Outlays, net (total) .....                                                        | 40  | 31  | 40  |

The Grain Inspection, Packers and Stockyards Administration's (GIPSA) Grain Regulatory Program promotes and enforces the accurate and uniform application of the United States Grain Standards Act (USGSA) and applicable provisions of the Agricultural Marketing Act of 1946. GIPSA identifies, evaluates, and implements new or improved techniques for measuring grain quality. GIPSA also establishes and updates testing and grading standards to facilitate the marketing of U.S. grain, oilseeds, and related products. GIPSA briefs foreign buyers, assesses foreign inspection and weighing techniques, and responds to foreign quality and quantity complaints.

GIPSA's Packers and Stockyards Program (P&SP) promotes fair business practices, financial integrity, and competitive environments to market livestock, meat, and poultry. Through its oversight activities, including monitoring programs, reviews, and investigations, P&SP fosters fair competition, provides payment protection, and guards against deceptive and fraudulent trade practices that affect the movement and price of meat animals and their products. P&SP's work protects consumers and members of the livestock, meat, and poultry industries. P&SP enforces the Packers and Stockyards (P&S) Act, which prohibits unfair, deceptive, and unjust discriminatory practices by market agencies, dealers, stockyards, packers, swine contractors, and live poultry dealers in the livestock, meat packing, and poultry industries. The P&S Act provides an important safety net for livestock producers and poultry growers in rural America. P&SP conducts routine and ongoing regulatory inspections and audits to assess whether subject entities are operating in compliance with the Act, and conducts investigations of potential P&S Act violations identified by either industry complaints or previous GIPSA regulatory inspections. The 2013 Budget requests \$40.3 million, an increase of \$2.5 million above the 2012 enacted Level to purchase

necessary equipment, including scientific equipment, supplies, and other support expenses.

**MAIN WORKLOAD FACTORS**

| Grain Regulatory Program                                                     | 2011 actual | 2012 estimate | 2013 estimate |
|------------------------------------------------------------------------------|-------------|---------------|---------------|
| U.S. standards and factors (attribute tests) in effect at end of year .....  | 129         | 129           | 129           |
| Standards reviews and factors in progress .....                              | 4           | 7             | 6             |
| Standards reviews and factors completed .....                                | 2           | 4             | 3             |
| On-site investigations .....                                                 | 5           | 6             | 6             |
| Designations renewed .....                                                   | 19          | 17            | 20            |
| Registration certificates issued .....                                       | 136         | 138           | 138           |
| Packers and Stockyards Program                                               | 2011 actual | 2012 estimate | 2103 estimate |
| Investigations .....                                                         | 2,851       | 2,800         | 2,600         |
| Regulatory Activities .....                                                  | 2,321       | 2,700         | 2,500         |
| Livestock market agencies/dealers registered .....                           | 5,792       | 5,500         | 5,400         |
| Stockyards posted .....                                                      | 1,218       | 1,100         | 1,100         |
| Slaughtering and processing packers subject to the Act (estimated) .....     | 3,265       | 3,250         | 3,250         |
| Meat distributors, brokers, and dealers subject to the Act (estimated) ..... | 4,144       | 4,100         | 4,100         |
| Poultry operations subject to the Act .....                                  | 136         | 120           | 120           |

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

| Identification code 12-2400-0-1-352                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| 11.1 Personnel compensation: Full-time permanent .....          | 25          | 23        | 24        |
| 12.1 Civilian personnel benefits .....                          | 7           | 7         | 7         |
| 21.0 Travel and transportation of persons .....                 | 1           | 1         | 1         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....              | 4           | 4         | 3         |
| 26.0 Supplies and materials .....                               | 1           | 1         | 1         |
| 31.0 Equipment .....                                            | 1           | 1         | 1         |
| 99.0 Direct obligations .....                                   | 40          | 38        | 38        |
| 99.0 Reimbursable obligations .....                             | 1           | 3         | 3         |
| 99.9 Total new obligations .....                                | 41          | 41        | 41        |

**Employment Summary**

| Identification code 12-2400-0-1-352                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 310         | 306       | 297       |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 8           | 8         | 8         |

**LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES**

Not to exceed **[\$49,000,000] \$50,000,000** (from fees collected) shall be obligated during the current fiscal year for inspection and weighing services: *Provided*, That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Committees on Appropriations of both Houses of Congress. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

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

| Identification code 12-4050-0-3-352                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                            |             |           |           |
| 0801 Limitation on inspection and weighing services .....          | 45          | 49        | 50        |
| <b>Budgetary Resources:</b>                                        |             |           |           |
| Unobligated balance:                                               |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....              | 14          | 18        | 18        |
| Budget authority:                                                  |             |           |           |
| Spending authority from offsetting collections, mandatory:         |             |           |           |
| 1800 Collected .....                                               | 49          | 49        | 50        |
| 1850 Spending auth from offsetting collections, mand (total) ..... | 49          | 49        | 50        |
| 1930 Total budgetary resources available .....                     | 63          | 67        | 68        |
| Memorandum (non-add) entries:                                      |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....              | 18          | 18        | 18        |
| <b>Change in obligated balance:</b>                                |             |           |           |
| Obligated balance, start of year (net):                            |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....      | 4           | 4         | 4         |

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES—Continued  
Program and Financing—Continued

| Identification code 12-4050-0-3-352                               | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------------|-------------|-----------|-----------|
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -5          | -5        | -5        |
| 3020 Obligated balance, start of year (net) .....                 | -1          | -1        | -1        |
| 3030 Obligations incurred, unexpired accounts .....               | 45          | 49        | 50        |
| 3040 Outlays (gross) .....                                        | -45         | -49       | -50       |
| Obligated balance, end of year (net):                             |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                | 4           | 4         | 4         |
| 3091 Uncollected pymts, Fed sources, end of year .....            | -5          | -5        | -5        |
| 3100 Obligated balance, end of year (net) .....                   | -1          | -1        | -1        |
| <b>Budget authority and outlays, net:</b>                         |             |           |           |
| Mandatory:                                                        |             |           |           |
| 4090 Budget authority, gross .....                                | 49          | 49        | 50        |
| Outlays, gross:                                                   |             |           |           |
| 4100 Outlays from new mandatory authority .....                   | 42          | 45        | 50        |
| 4101 Outlays from mandatory balances .....                        | 3           | 4         | .....     |
| 4110 Outlays, gross (total) .....                                 | 45          | 49        | 50        |
| Offsets against gross budget authority and outlays:               |             |           |           |
| Offsetting collections (collected) from:                          |             |           |           |
| 4123 Non-Federal sources .....                                    | -49         | -49       | -50       |
| 4190 Outlays, net (total) .....                                   | -4          | .....     | .....     |

The Grain Inspection, Packers and Stockyards Administration (GIPSA) provides a uniform system for the inspection and weighing of grain. Services provided under this system are financed through a fee-supported revolving fund. Fee-supported programs include direct services, supervision activities and administrative functions. Direct services include official grain inspection and weighing by GIPSA employees at certain export ports as well as the inspection of U.S. grain shipped through Canada. GIPSA supervises the inspection and weighing activities performed by its own employees. FGIS supervises 55 official private and state agencies: 43 official private agencies and seven official state agencies that are designated to provide official inspection and/or weighing services in domestic markets; four official state agencies that are delegated to provide mandatory official export inspection and weighing services and designated to provide official domestic inspection and weighing services within the state; and one official state agency that is delegated to provide mandatory official export inspection and weighing services within the state. GIPSA provides an appeal service of original grain inspections and a registration system for the grain exporting firms. Through support from the Association of American Railroads and user fees, GIPSA conducts a railroad track scale testing program. In addition, GIPSA provides grading services, on request, for rice and grain related products under the authority of the Agricultural Marketing Act of 1946.

|                                                                                             | 2011 actual | 2012 estimate | 2013 estimate |
|---------------------------------------------------------------------------------------------|-------------|---------------|---------------|
| Export grain inspected and/or weighed (million metric tons):                                |             |               |               |
| By Federal personnel .....                                                                  | 81.2        | 65.8          | 79            |
| By delegated states/official agencies .....                                                 | 41.8        | 34.2          | 43.9          |
| Quantity of grain inspected (official inspections) domestically (million metric tons) ..... | 187.3       | 176.7         | 176.7         |
| Number of official grain inspections and reinspections:                                     |             |               |               |
| By Federal personnel .....                                                                  | 134,393     | 105,960       | 129,350       |
| By delegated states/official agencies .....                                                 | 3,248,868   | 2,706,282     | 3,436,856     |
| Number of appeals (Grain, Rice, and Pulses) .....                                           | 4,022       | 3,631         | 3,827         |
| Number of appeals to the Board of Appeals and Review (Grain, Rice, and Pulses) .....        | 350         | 287           | 319           |
| Quantity of rice inspected (million metric tons) .....                                      | 3.9         | 3.6           | 3.9           |
| Quantity of rice exports (million metric tons) .....                                        | 4.3         | 3.9           | 4.9           |

Object Classification (in millions of dollars)

| Identification code 12-4050-0-3-352 | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------|-------------|-----------|-----------|
| Reimbursable obligations:           |             |           |           |
| Personnel compensation:             |             |           |           |
| 11.1 Full-time permanent .....      | 30          | 33        | 33        |

|                                                                 |       |    |    |
|-----------------------------------------------------------------|-------|----|----|
| 11.3 Other than full-time permanent .....                       | 1     | 1  | 1  |
| 11.9 Total personnel compensation .....                         | 31    | 34 | 34 |
| 12.1 Civilian personnel benefits .....                          | 7     | 7  | 8  |
| 21.0 Travel and transportation of persons .....                 | 1     | 2  | 2  |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 2     | 1  | 1  |
| 25.2 Other services from non-Federal sources .....              | 4     | 4  | 4  |
| 26.0 Supplies and materials .....                               | ..... | 1  | 1  |
| 99.9 Total new obligations .....                                | 45    | 49 | 50 |

Employment Summary

| Identification code 12-4050-0-3-352                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 2001 Reimbursable civilian full-time equivalent employment ..... | 403         | 401       | 400       |

AGRICULTURAL MARKETING SERVICE

Federal Funds

MARKETING SERVICES

For necessary expenses of the Agricultural Marketing Service, **[\$82,211,000] \$77,032,000: Provided,** That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Fees may be collected for the cost of standardization activities, as established by regulation pursuant to law (31 U.S.C. 9701).

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed **[\$62,101,000] \$62,592,000** (from fees collected) shall be obligated during the current fiscal year for administrative expenses: *Provided,* That if crop size is understated and/or other uncontrollable events occur, the agency may exceed this limitation by up to 10 percent with notification to the Committees on Appropriations of both Houses of Congress. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-2500-0-1-352                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                            |             |           |           |
| 0001 Market news service .....                                     | 34          | 33        | 33        |
| 0002 Inspection and standardization .....                          | 7           | 8         | 8         |
| 0003 Market protection and promotion .....                         | 39          | 35        | 29        |
| 0004 Transportation and market development .....                   | 6           | 6         | 7         |
| 0005 Farmers market promotion program .....                        | 10          | 10        | .....     |
| 0799 Total direct obligations .....                                | 96          | 92        | 77        |
| 0801 Reimbursable program .....                                    | 49          | 66        | 66        |
| 0900 Total new obligations .....                                   | 145         | 158       | 143       |
| <b>Budgetary Resources:</b>                                        |             |           |           |
| Unobligated balance:                                               |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....              | 24          | 39        | 39        |
| Budget authority:                                                  |             |           |           |
| Appropriations, discretionary:                                     |             |           |           |
| 1100 Appropriation .....                                           | 87          | 82        | 77        |
| 1160 Appropriation, discretionary (total) .....                    | 87          | 82        | 77        |
| Appropriations, mandatory:                                         |             |           |           |
| 1221 Transferred from other accounts [12-4336] .....               | 10          | 10        | .....     |
| 1260 Appropriations, mandatory (total) .....                       | 10          | 10        | .....     |
| Spending authority from offsetting collections, discretionary:     |             |           |           |
| 1700 Collected .....                                               | 61          | 66        | 66        |
| 1701 Change in uncollected payments, Federal sources .....         | 2           | .....     | .....     |
| 1750 Spending auth from offsetting collections, disc (total) ..... | 63          | 66        | 66        |
| 1900 Budget authority (total) .....                                | 160         | 158       | 143       |
| 1930 Total budgetary resources available .....                     | 184         | 197       | 182       |
| Memorandum (non-add) entries:                                      |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....              | 39          | 39        | 39        |

Change in obligated balance:

|                                                               |    |    |    |
|---------------------------------------------------------------|----|----|----|
| Obligated balance, start of year (net):                       |    |    |    |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) ..... | 42 | 45 | 42 |

|                                                         |                                                                 |      |      |      |
|---------------------------------------------------------|-----------------------------------------------------------------|------|------|------|
| 3010                                                    | Uncollected pymts, Fed sources, brought forward, Oct 1 .....    | -2   | -4   | -4   |
| 3020                                                    | Obligated balance, start of year (net) .....                    | 40   | 41   | 38   |
| 3030                                                    | Obligations incurred, unexpired accounts .....                  | 145  | 158  | 143  |
| 3031                                                    | Obligations incurred, expired accounts .....                    | 28   |      |      |
| 3040                                                    | Outlays (gross) .....                                           | -136 | -161 | -162 |
| 3050                                                    | Change in uncollected pymts, Fed sources, unexpired .....       | -2   |      |      |
| 3081                                                    | Recoveries of prior year unpaid obligations, expired .....      | -34  |      |      |
|                                                         | Obligated balance, end of year (net):                           |      |      |      |
| 3090                                                    | Unpaid obligations, end of year (gross) .....                   | 45   | 42   | 23   |
| 3091                                                    | Uncollected pymts, Fed sources, end of year .....               | -4   | -4   | -4   |
| 3100                                                    | Obligated balance, end of year (net) .....                      | 41   | 38   | 19   |
| <b>Budget authority and outlays, net:</b>               |                                                                 |      |      |      |
| Discretionary:                                          |                                                                 |      |      |      |
| 4000                                                    | Budget authority, gross .....                                   | 150  | 148  | 143  |
| Outlays, gross:                                         |                                                                 |      |      |      |
| 4010                                                    | Outlays from new discretionary authority .....                  | 109  | 138  | 134  |
| 4011                                                    | Outlays from discretionary balances .....                       | 24   | 13   | 13   |
| 4020                                                    | Outlays, gross (total) .....                                    | 133  | 151  | 147  |
| Offsets against gross budget authority and outlays:     |                                                                 |      |      |      |
| Offsetting collections (collected) from:                |                                                                 |      |      |      |
| 4030                                                    | Federal sources .....                                           | -1   | -4   | -4   |
| 4033                                                    | Non-Federal sources .....                                       | -60  | -62  | -62  |
| 4040                                                    | Offsets against gross budget authority and outlays (total) .... | -61  | -66  | -66  |
| Additional offsets against gross budget authority only: |                                                                 |      |      |      |
| 4050                                                    | Change in uncollected pymts, Fed sources, unexpired .....       | -2   |      |      |
| 4070                                                    | Budget authority, net (discretionary) .....                     | 87   | 82   | 77   |
| 4080                                                    | Outlays, net (discretionary) .....                              | 72   | 85   | 81   |
| Mandatory:                                              |                                                                 |      |      |      |
| 4090                                                    | Budget authority, gross .....                                   | 10   | 10   |      |
| Outlays, gross:                                         |                                                                 |      |      |      |
| 4100                                                    | Outlays from new mandatory authority .....                      | 1    | 1    |      |
| 4101                                                    | Outlays from mandatory balances .....                           | 2    | 9    | 15   |
| 4110                                                    | Outlays, gross (total) .....                                    | 3    | 10   | 15   |
| 4180                                                    | Budget authority, net (total) .....                             | 97   | 92   | 77   |
| 4190                                                    | Outlays, net (total) .....                                      | 75   | 95   | 96   |
| <b>Memorandum (non-add) entries:</b>                    |                                                                 |      |      |      |
| 5000                                                    | Total investments, SOY: Federal securities: Par value .....     | 2    |      | 2    |
| 5001                                                    | Total investments, EOY: Federal securities: Par value .....     |      | 2    | 2    |

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

The 2013 Budget requests \$77,032,000 for Marketing Services, \$5.1 million below 2012. The individual Marketing Services activities include:

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

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

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

**MARKET NEWS PROGRAM**

|                                              | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------|-------------|-----------|-----------|
| Percentage of reports released on time ..... | 95%         | 95%       | 95%       |

**COTTON AND TOBACCO USER FEE PROGRAM**

|                                                                   | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------------|-------------|-----------|-----------|
| Cotton classed (bales in millions) .....                          | 17          | 15        | 15        |
| Domestic and Imported tobacco graded (million pounds) .....       | 75.5        | 75.5      | 75.5      |
| Domestic and Imported tobacco inspected (million kilograms) ..... | 63          | 63        | 63        |

**FEDERALLY FUNDED INSPECTION AND MARKETING ACTIVITIES**

|                                                                                  | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------------------|-------------|-----------|-----------|
| States and Commonwealths with cooperative agreements .....                       | 52          | 52        | 52        |
| Percentage of noncomplying shell egg lots that are reprocessed or diverted ..... | 100%        | 100%      | 100%      |

**STANDARDIZATION ACTIVITIES**

|                                                                      | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------|-------------|-----------|-----------|
| International and U.S. standards in effect, end of fiscal year ..... | 580         | 581       | 581       |
| Number of commodities covered .....                                  | 225         | 225       | 225       |

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

The Pesticide Recordkeeping program monitors compliance of private certified applicators with Federal regulations requiring them to keep records of restricted pesticides used in agricultural production. No funding is included in the 2013 Budget for this program.

The Pesticide Data program develops comprehensive, statistically defensible information on pesticide residues in food to improve government dietary risk procedures. The 2013 Budget requests \$15,330,000, an increase of \$870,000 above the 2012 enacted level, to restore funding to 2011 levels in order to test grains and meats as well as to continue conducting water surveys.

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

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

The National Organic Program certifies that organically produced food products meet national standards.

The Microbiological Data program collects information regarding the prevalence of food-borne pathogens and indicator organisms on domestic and imported fruits and vegetables. No funding is included in the 2013 Budget for this program.

The Country of Origin Labeling program ensures that the public receives credible and accurate information on the country of origin of the covered commodities purchased.

**MARKET PROTECTION AND PROMOTION ACTIVITIES**

|                                                                                       | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Pesticide data program (PDP):</b>                                                  |             |           |           |
| Number of children's food commodities included in PDP .....                           | 21          | 20        | 20        |
| Number of compounds reported by PDP labs .....                                        | 391         | 391       | 391       |
| <b>Seed Act:</b>                                                                      |             |           |           |
| Interstate investigations:                                                            |             |           |           |
| Completed .....                                                                       | 350         | 350       | 350       |
| Pending .....                                                                         | 375         | 290       | 290       |
| Seed samples tested .....                                                             | 1398        | 1400      | 1400      |
| Percentage of cases submitted that are completed .....                                | 100%        | 100%      | 100%      |
| <b>Plant Variety Protection Act:</b>                                                  |             |           |           |
| Number of applications received .....                                                 | 530         | 500       | 500       |
| Certificates of protection issued and abandoned .....                                 | 424         | 600       | 600       |
| Percentage of board budgets and marketing plans approved within time frame goal ..... | 100%        | 100%      | 100%      |

MARKETING SERVICES—Continued  
MARKET PROTECTION AND PROMOTION ACTIVITIES—Continued

|                                                           | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------|-------------|-----------|-----------|
| Country of Origin Labeling .....                          |             |           |           |
| Retail compliance reviews .....                           | 5195        | 4000      | 4000      |
| Complaints investigated .....                             | 15          | 2         | 2         |
| State and Commonwealths with cooperative agreements ..... | 50          | 50        | 50        |

**Wholesale market development.**—This program is designed to enhance the marketing of domestic agricultural commodities by conducting research into more efficient marketing methods and by providing technical assistance to areas interested in improving their food distribution facilities. The 2013 Budget requests \$3,839,000, an increase of \$1,000,000 above the 2012 enacted level, to strengthen the development of viable local/regional food systems and facilitate increased community access to locally and regionally grown fresh food.

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

WHOLESALE MARKET DEVELOPMENT ACTIVITIES

|                                    | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------|-------------|-----------|-----------|
| Number of projects completed ..... | 12          | 12        | 12        |

TRANSPORTATION SERVICES ACTIVITIES

|                                    | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------|-------------|-----------|-----------|
| Number of projects completed ..... | 16          | 16        | 16        |

Object Classification (in millions of dollars)

| Identification code 12-2500-0-1-352                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                             |             |           |           |
| Personnel compensation:                                         |             |           |           |
| 11.1 Full-time permanent .....                                  | 32          | 35        | 34        |
| 11.3 Other than full-time permanent .....                       | 1           |           |           |
| 11.5 Other personnel compensation .....                         | 2           |           |           |
| 11.9 Total personnel compensation .....                         | 35          | 35        | 34        |
| 12.1 Civilian personnel benefits .....                          | 11          | 11        | 11        |
| 21.0 Travel and transportation of persons .....                 | 1           | 1         | 1         |
| 23.2 Rental payments to others .....                            | 1           | 1         | 1         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 2           | 2         | 2         |
| 24.0 Printing and reproduction .....                            | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....              | 21          | 17        | 14        |
| 25.3 Other goods and services from Federal sources .....        | 11          | 11        | 11        |
| 26.0 Supplies and materials .....                               | 1           | 1         | 1         |
| 31.0 Equipment .....                                            | 2           | 2         | 1         |
| 41.0 Grants, subsidies, and contributions .....                 | 10          | 10        |           |
| 99.0 Direct obligations .....                                   | 96          | 92        | 77        |
| 99.0 Reimbursable obligations .....                             | 49          | 66        | 66        |
| 99.9 Total new obligations .....                                | 145         | 158       | 143       |

Employment Summary

| Identification code 12-2500-0-1-352                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 445         | 434       | 425       |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 448         | 448       | 448       |

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), **[\$1,198,000] \$1,331,000.** (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-2501-0-1-352           | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------|-------------|-----------|-----------|
| Obligations by program activity:              |             |           |           |
| 0001 Payments to states and possessions ..... | 1           | 1         | 1         |

|                                                      |    |    |   |
|------------------------------------------------------|----|----|---|
| 0002 Specialty crop block grants .....               | 55 | 55 |   |
| 0900 Total new obligations (object class 41.0) ..... | 56 | 56 | 1 |

Budgetary Resources:

|                                                                                                 |    |    |   |
|-------------------------------------------------------------------------------------------------|----|----|---|
| Unobligated balance:                                                                            |    |    |   |
| 1000 Unobligated balance brought forward, Oct 1 .....                                           | 1  | 1  | 1 |
| Budget authority:                                                                               |    |    |   |
| Appropriations, discretionary:                                                                  |    |    |   |
| 1100 Appropriation .....                                                                        | 1  | 1  | 1 |
| 1160 Appropriation, discretionary (total) .....                                                 | 1  | 1  | 1 |
| Appropriations, mandatory:                                                                      |    |    |   |
| 1221 Transferred from other accounts for the Specialty Crop Block Grant Program [12-4336] ..... | 55 | 55 |   |
| 1260 Appropriations, mandatory (total) .....                                                    | 55 | 55 |   |
| 1900 Budget authority (total) .....                                                             | 56 | 56 | 1 |
| 1930 Total budgetary resources available .....                                                  | 57 | 57 | 2 |
| Memorandum (non-add) entries:                                                                   |    |    |   |
| 1941 Unexpired unobligated balance, end of year .....                                           | 1  | 1  | 1 |

Change in obligated balance:

|                                                                 |     |     |     |
|-----------------------------------------------------------------|-----|-----|-----|
| Obligated balance, start of year (net):                         |     |     |     |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....   | 98  | 120 | 124 |
| 3030 Obligations incurred, unexpired accounts .....             | 56  | 56  | 1   |
| 3031 Obligations incurred, expired accounts .....               | 1   |     |     |
| 3040 Outlays (gross) .....                                      | -34 | -52 | -55 |
| 3081 Recoveries of prior year unpaid obligations, expired ..... | -1  |     |     |
| Obligated balance, end of year (net):                           |     |     |     |
| 3090 Unpaid obligations, end of year (gross) .....              | 120 | 124 | 70  |
| 3100 Obligated balance, end of year (net) .....                 | 120 | 124 | 70  |

Budget authority and outlays, net:

|                                                 |    |    |    |
|-------------------------------------------------|----|----|----|
| Discretionary:                                  |    |    |    |
| 4000 Budget authority, gross .....              | 1  | 1  | 1  |
| Outlays, gross:                                 |    |    |    |
| 4011 Outlays from discretionary balances .....  | 21 | 1  | 1  |
| Mandatory:                                      |    |    |    |
| 4090 Budget authority, gross .....              | 55 | 55 |    |
| Outlays, gross:                                 |    |    |    |
| 4100 Outlays from new mandatory authority ..... | 1  |    |    |
| 4101 Outlays from mandatory balances .....      | 12 | 51 | 54 |
| 4110 Outlays, gross (total) .....               | 13 | 51 | 54 |
| 4180 Budget authority, net (total) .....        | 56 | 56 | 1  |
| 4190 Outlays, net (total) .....                 | 34 | 52 | 55 |

Federal-State Marketing Improvement Program grants are made on a matching fund basis to State departments of agriculture to carry out specifically approved value-added programs designed to spotlight local marketing initiatives and enhance marketing efficiency. Under this activity, specialists work with farmers, marketing firms, and other agencies in solving marketing problems and in using research results.

Specialty Crop Block Grant-Farm Bill grants are block grants made to State departments of agriculture to enhance the competitiveness of specialty crops.

Employment Summary

| Identification code 12-2501-0-1-352                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 4           | 4         | 4         |

PERISHABLE AGRICULTURAL COMMODITIES ACT FUND

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 12-5070-0-2-352                                                | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year .....                                                  |             |           | 1         |
| Receipts:                                                                          |             |           |           |
| 0200 License Fees and Defaults, Perishable Agricultural Commodities Act Fund ..... | 10          | 12        | 12        |
| 0400 Total: Balances and collections .....                                         | 10          | 12        | 13        |
| Appropriations:                                                                    |             |           |           |
| 0500 Perishable Agricultural Commodities Act Fund .....                            | -10         | -11       | -11       |



|      |                            |   |   |
|------|----------------------------|---|---|
| 0799 | Balance, end of year ..... | 1 | 2 |
|------|----------------------------|---|---|

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

| Identification code 12-5070-0-2-352 | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------|-------------|-----------|-----------|
|-------------------------------------|-------------|-----------|-----------|

|                                         |                                               |    |    |    |
|-----------------------------------------|-----------------------------------------------|----|----|----|
| <b>Obligations by program activity:</b> |                                               |    |    |    |
| 0001                                    | Perishable Agricultural Commodities Act ..... | 10 | 11 | 11 |

|                               |                                                  |    |    |    |
|-------------------------------|--------------------------------------------------|----|----|----|
| <b>Budgetary Resources:</b>   |                                                  |    |    |    |
| Unobligated balance:          |                                                  |    |    |    |
| 1000                          | Unobligated balance brought forward, Oct 1 ..... | 5  | 5  | 5  |
| Budget authority:             |                                                  |    |    |    |
| Appropriations, mandatory:    |                                                  |    |    |    |
| 1201                          | Appropriation (special or trust fund) .....      | 10 | 11 | 11 |
| 1260                          | Appropriations, mandatory (total) .....          | 10 | 11 | 11 |
| 1930                          | Total budgetary resources available .....        | 15 | 16 | 16 |
| Memorandum (non-add) entries: |                                                  |    |    |    |
| 1941                          | Unexpired unobligated balance, end of year ..... | 5  | 5  | 5  |

|                                         |                                                          |     |     |     |
|-----------------------------------------|----------------------------------------------------------|-----|-----|-----|
| <b>Change in obligated balance:</b>     |                                                          |     |     |     |
| Obligated balance, start of year (net): |                                                          |     |     |     |
| 3000                                    | Unpaid obligations, brought forward, Oct 1 (gross) ..... | 1   | 1   | 1   |
| 3030                                    | Obligations incurred, unexpired accounts .....           | 10  | 11  | 11  |
| 3040                                    | Outlays (gross) .....                                    | -10 | -11 | -10 |
| Obligated balance, end of year (net):   |                                                          |     |     |     |
| 3090                                    | Unpaid obligations, end of year (gross) .....            | 1   | 1   | 2   |
| 3100                                    | Obligated balance, end of year (net) .....               | 1   | 1   | 2   |

|                                           |                                            |    |    |    |
|-------------------------------------------|--------------------------------------------|----|----|----|
| <b>Budget authority and outlays, net:</b> |                                            |    |    |    |
| Mandatory:                                |                                            |    |    |    |
| 4090                                      | Budget authority, gross .....              | 10 | 11 | 11 |
| Outlays, gross:                           |                                            |    |    |    |
| 4100                                      | Outlays from new mandatory authority ..... | 9  | 9  | 9  |
| 4101                                      | Outlays from mandatory balances .....      | 1  | 2  | 1  |
| 4110                                      | Outlays, gross (total) .....               | 10 | 11 | 10 |
| 4180                                      | Budget authority, net (total) .....        | 10 | 11 | 11 |
| 4190                                      | Outlays, net (total) .....                 | 10 | 11 | 10 |

|                                      |                                                             |  |   |   |
|--------------------------------------|-------------------------------------------------------------|--|---|---|
| <b>Memorandum (non-add) entries:</b> |                                                             |  |   |   |
| 5000                                 | Total investments, SOY: Federal securities: Par value ..... |  |   | 1 |
| 5001                                 | Total investments, EOY: Federal securities: Par value ..... |  | 1 |   |

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

The Acts are intended to ensure equitable treatment to farmers and others in the marketing of fresh and frozen fruits and vegetables. Commission merchants, dealers, and brokers handling these products in interstate and foreign commerce are licensed. Complaints of violations are investigated and violations dealt with by a) informal agreements between the two parties, b) formal decisions involving payment of reparation awards, and/or c) suspension or revocation of license and/or publication of the facts.

The Perishable Agricultural Commodities Act requires traders to have trust assets on hand to meet their obligations to fruit and vegetable suppliers. To preserve their trust and establish their rights ahead of other creditors, unpaid suppliers file notice with both the Department and their debtors that payment is due. The Act provides permanent authority to the Secretary of Agriculture to set license and reparation complaint filing fees.

**PERISHABLE AGRICULTURAL COMMODITIES ACT ACTIVITIES**

|                                                                                     | 2011 actual | 2012est. | 2013 est. |
|-------------------------------------------------------------------------------------|-------------|----------|-----------|
| Percentage of informal reparation complaints completed within time frame goal ..... | 91%         | 91%      | 91%       |

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

| Identification code 12-5070-0-2-352 | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------|-------------|-----------|-----------|
|-------------------------------------|-------------|-----------|-----------|

|                     |                                                   |   |   |   |
|---------------------|---------------------------------------------------|---|---|---|
| Direct obligations: |                                                   |   |   |   |
| 11.1                | Personnel compensation: Full-time permanent ..... | 6 | 6 | 6 |

|      |                                                     |    |    |    |
|------|-----------------------------------------------------|----|----|----|
| 12.1 | Civilian personnel benefits .....                   | 2  | 2  | 2  |
| 25.3 | Other goods and services from Federal sources ..... | 2  | 3  | 3  |
| 99.9 | Total new obligations .....                         | 10 | 11 | 11 |

**Employment Summary**

| Identification code 12-5070-0-2-352 | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------|-------------|-----------|-----------|
|-------------------------------------|-------------|-----------|-----------|

|      |                                                       |    |    |    |
|------|-------------------------------------------------------|----|----|----|
| 1001 | Direct civilian full-time equivalent employment ..... | 75 | 77 | 77 |
|------|-------------------------------------------------------|----|----|----|

**FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)**  
(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than \$20,056,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937 and the Agricultural Act of 1961. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

**Special and Trust Fund Receipts** (in millions of dollars)

| Identification code 12-5209-0-2-605 | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------|-------------|-----------|-----------|
|-------------------------------------|-------------|-----------|-----------|

|                 |                                                                                                     |        |        |        |
|-----------------|-----------------------------------------------------------------------------------------------------|--------|--------|--------|
| 0100            | Balance, start of year .....                                                                        | 13,057 | 16,107 | 17,503 |
| Adjustments:    |                                                                                                     |        |        |        |
| 0190            | Adjustment - to reconcile to Treasury unappropriated receipts balance .....                         | 706    |        |        |
| 0199            | Balance, start of year .....                                                                        | 13,763 | 16,107 | 17,503 |
| Receipts:       |                                                                                                     |        |        |        |
| 0200            | 30 Percent of Customs Duties, Funds for Strengthening Markets, Income and Supply (section 32) ..... | 8,812  | 9,245  | 10,097 |
| 0240            | General Fund Payment, Funds for Strengthening Markets, Income, and Supply (section 32) .....        |        | 1      | 1      |
| 0299            | Total receipts and collections .....                                                                | 8,812  | 9,246  | 10,098 |
| 0400            | Total: Balances and collections .....                                                               | 22,575 | 25,353 | 27,601 |
| Appropriations: |                                                                                                     |        |        |        |
| 0500            | Funds for Strengthening Markets, Income, and Supply (section 32) .....                              | -6,606 | -7,947 | -8,990 |
| 0501            | Funds for Strengthening Markets, Income, and Supply (section 32) .....                              | -122   | -260   | -207   |
| 0502            | Funds for Strengthening Markets, Income, and Supply (section 32) .....                              |        | 150    |        |
| 0503            | Funds for Strengthening Markets, Income, and Supply (section 32) .....                              | 260    | 207    | 191    |
| 0599            | Total appropriations .....                                                                          | -6,468 | -7,850 | -9,006 |
| 0799            | Balance, end of year .....                                                                          | 16,107 | 17,503 | 18,595 |

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

| Identification code 12-5209-0-2-605 | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------|-------------|-----------|-----------|
|-------------------------------------|-------------|-----------|-----------|

|                                         |                                               |     |     |     |
|-----------------------------------------|-----------------------------------------------|-----|-----|-----|
| <b>Obligations by program activity:</b> |                                               |     |     |     |
| 0001                                    | Child nutrition program purchases .....       | 466 | 465 | 465 |
| 0002                                    | Emergency surplus removal .....               | 56  | 227 | 360 |
| 0003                                    | Direct Payments .....                         | 268 |     |     |
| 0004                                    | State option contract .....                   |     | 5   | 5   |
| 0005                                    | Removal of defective commodities .....        |     | 3   | 3   |
| 0006                                    | Disaster Relief .....                         | 5   | 5   | 5   |
| 0007                                    | 2008 Farm Bill Specialty Crop Purchases ..... | 157 | 175 | 206 |

|      |                                            |     |     |       |
|------|--------------------------------------------|-----|-----|-------|
| 0091 | Subtotal, Commodity program payments ..... | 952 | 880 | 1,044 |
| 0101 | Administrative expenses .....              | 34  | 48  | 48    |
| 0102 | Replacement of computer system .....       | 19  |     |       |

|      |                                                         |    |    |    |
|------|---------------------------------------------------------|----|----|----|
| 0191 | Direct Program by Activities - Subtotal (1 level) ..... | 53 | 48 | 48 |
|------|---------------------------------------------------------|----|----|----|

|      |                            |       |     |       |
|------|----------------------------|-------|-----|-------|
| 0192 | Total direct program ..... | 1,005 | 928 | 1,092 |
|------|----------------------------|-------|-----|-------|

|      |                                |       |     |       |
|------|--------------------------------|-------|-----|-------|
| 0799 | Total direct obligations ..... | 1,005 | 928 | 1,092 |
| 0811 | Reimbursable program .....     | 1     | 1   | 1     |

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

Program and Financing—Continued

| Identification code 12-5209-0-2-605                                                        | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| 0900 Total new obligations .....                                                           | 1,006       | 929       | 1,093     |
| <b>Budgetary Resources:</b>                                                                |             |           |           |
| Budget authority:                                                                          |             |           |           |
| Appropriations, mandatory:                                                                 |             |           |           |
| 1201 Appropriation (special or trust fund) .....                                           | 6,606       | 7,947     | 8,990     |
| 1203 Appropriation (previously unavailable) .....                                          | 122         | 260       | 207       |
| 1220 Transferred to Food and Nutrition Service [12-3539] .....                             | -5,386      | -6,813    | -7,790    |
| 1220 Transferred to Department of Commerce [13-5139] .....                                 | -90         | -109      | -124      |
| 1232 Appropriations and/or unobligated balance of appropriations temporarily reduced ..... |             | -150      |           |
| 1235 Appropriations precluded from obligation .....                                        | -260        | -207      | -191      |
| 1260 Appropriations, mandatory (total) .....                                               | 992         | 928       | 1,092     |
| Spending authority from offsetting collections, mandatory:                                 |             |           |           |
| 1800 Collected .....                                                                       | 13          | 1         | 1         |
| 1801 Change in uncollected payments, Federal sources .....                                 | 1           |           |           |
| 1850 Spending auth from offsetting collections, mand (total) .....                         | 14          | 1         | 1         |
| 1900 Budget authority (total) .....                                                        | 1,006       | 929       | 1,093     |
| 1930 Total budgetary resources available .....                                             | 1,006       | 929       | 1,093     |

| <b>Change in obligated balance:</b>                               |        |      |        |
|-------------------------------------------------------------------|--------|------|--------|
| Obligated balance, start of year (net):                           |        |      |        |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 18     | 24   | 1      |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... |        | -1   | -1     |
| 3020 Obligated balance, start of year (net) .....                 | 18     | 23   |        |
| 3030 Obligations incurred, unexpired accounts .....               | 1,006  | 929  | 1,093  |
| 3040 Outlays (gross) .....                                        | -1,000 | -952 | -1,093 |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....    | -1     |      |        |
| Obligated balance, end of year (net):                             |        |      |        |
| 3090 Unpaid obligations, end of year (gross) .....                | 24     | 1    | 1      |
| 3091 Uncollected pymts, Fed sources, end of year .....            | -1     | -1   | -1     |
| 3100 Obligated balance, end of year (net) .....                   | 23     |      |        |

| <b>Budget authority and outlays, net:</b>                      |       |     |       |
|----------------------------------------------------------------|-------|-----|-------|
| Mandatory:                                                     |       |     |       |
| 4090 Budget authority, gross .....                             | 1,006 | 929 | 1,093 |
| Outlays, gross:                                                |       |     |       |
| 4100 Outlays from new mandatory authority .....                | 991   | 929 | 1,093 |
| 4101 Outlays from mandatory balances .....                     | 9     | 23  |       |
| 4110 Outlays, gross (total) .....                              | 1,000 | 952 | 1,093 |
| Offsets against gross budget authority and outlays:            |       |     |       |
| Offsetting collections (collected) from:                       |       |     |       |
| 4120 Federal sources .....                                     | -13   | -1  | -1    |
| Additional offsets against gross budget authority only:        |       |     |       |
| 4140 Change in uncollected pymts, Fed sources, unexpired ..... | -1    |     |       |
| 4160 Budget authority, net (mandatory) .....                   | 992   | 928 | 1,092 |
| 4170 Outlays, net (mandatory) .....                            | 987   | 951 | 1,092 |
| 4180 Budget authority, net (total) .....                       | 992   | 928 | 1,092 |
| 4190 Outlays, net (total) .....                                | 987   | 951 | 1,092 |

The Agriculture Appropriations Act of 1935 established the Section 32 program (7 U.S.C. 612c) which provides that 30 percent of U.S. Customs receipts for each calendar year are transferred to this account within the Department of Agriculture. The purpose of the Section 32 program is three-fold: to encourage the exportation of agricultural commodities and products, to encourage domestic consumption of agricultural products by diverting them, and to reestablish farmers' purchasing power by making payments in connection with the normal production of any agricultural commodity for domestic consumption. There is also a requirement that the funds available under Section 32 shall be principally devoted to perishable agricultural commodities (e.g., fruits and vegetables). Program funds are used for a variety of purposes in support of the three primary purposes specified in the program's authorizing legislation. Funds may be used to stabilize market conditions through purchasing surplus commodities which are in turn, distributed to nutrition assistance programs. Program funds are also used to purchase commodities

that are distributed to schools as part of Child Nutrition Programs entitlements. Furthermore, funds are transferred to the Food and Nutrition Service for commodity purchases under section 6 of the National School Lunch Act and other authorities specified in the Child Nutrition Programs appropriation.

Object Classification (in millions of dollars)

| Identification code 12-5209-0-2-605                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                                |             |           |           |
| 11.1 Personnel compensation: Full-time permanent .....             | 16          | 17        | 17        |
| 12.1 Civilian personnel benefits .....                             | 5           | 5         | 5         |
| 21.0 Travel and transportation of persons .....                    | 1           | 1         | 1         |
| 22.0 Transportation of things .....                                | 4           | 4         | 4         |
| 23.3 Communications, utilities, and miscellaneous charges .....    | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....                 | 8           | 8         | 9         |
| 25.3 Other goods and services from Federal sources .....           | 451         | 412       | 486       |
| 26.0 Supplies and materials: Grants of commodities to States ..... |             | 1         | 1         |
| 26.0 Supplies and materials: Grants of commodities to States ..... | 518         | 478       | 567       |
| 31.0 Equipment .....                                               | 1           | 1         | 1         |
| 99.0 Direct obligations .....                                      | 1,005       | 928       | 1,092     |
| 99.0 Reimbursable obligations .....                                | 1           | 1         | 1         |
| 99.9 Total new obligations .....                                   | 1,006       | 929       | 1,093     |

Employment Summary

| Identification code 12-5209-0-2-605                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 160         | 164       | 164       |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 4           | 6         | 6         |

Trust Funds

EXPENSES AND REFUNDS, INSPECTION AND GRADING OF FARM PRODUCTS

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 12-8015-0-7-352                                                         | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year .....                                                           | 3           |           | 7         |
| Adjustments:                                                                                |             |           |           |
| 0190 Adjustment - multiple years of rounding .....                                          | -3          |           |           |
| 0199 Balance, start of year .....                                                           |             |           | 7         |
| Receipts:                                                                                   |             |           |           |
| 0220 Deposits of Fees, Inspection and Grading of Farm Products, AMS .....                   | 154         | 151       | 151       |
| 0240 Interest on Investments in Public Debt Securities, AMS .....                           |             | 1         | 1         |
| 0241 Payments from General Fund, Wool Research, Development, and Promotion Trust Fund ..... | 2           | 2         | 2         |
| 0299 Total receipts and collections .....                                                   | 156         | 154       | 154       |
| 0400 Total: Balances and collections .....                                                  | 156         | 154       | 161       |
| Appropriations:                                                                             |             |           |           |
| 0500 Expenses and Refunds, Inspection and Grading of Farm Products .....                    | -156        | -147      | -148      |
| 0799 Balance, end of year .....                                                             |             | 7         | 13        |

Program and Financing (in millions of dollars)

| Identification code 12-8015-0-7-352                   | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>               |             |           |           |
| 0001 Dairy products .....                             | 6           | 6         | 6         |
| 0002 Fruits and vegetables .....                      | 61          | 65        | 64        |
| 0003 Meat grading .....                               | 35          | 31        | 31        |
| 0004 Poultry products .....                           | 42          | 34        | 34        |
| 0005 Miscellaneous agricultural commodities .....     | 18          | 13        | 15        |
| 0900 Total new obligations .....                      | 162         | 149       | 150       |
| <b>Budgetary Resources:</b>                           |             |           |           |
| Unobligated balance:                                  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 ..... | 77          | 73        | 73        |
| Budget authority:                                     |             |           |           |
| Appropriations, mandatory:                            |             |           |           |
| 1201 Appropriation (special or trust fund) .....      | 156         | 147       | 148       |

|                                           |                                                             |       |       |       |
|-------------------------------------------|-------------------------------------------------------------|-------|-------|-------|
| 1221                                      | Transferred from other accounts [12-4336] .....             | 2     | 2     | 2     |
| 1260                                      | Appropriations, mandatory (total) .....                     | 158   | 149   | 150   |
| 1930                                      | Total budgetary resources available .....                   | 235   | 222   | 223   |
| <b>Memorandum (non-add) entries:</b>      |                                                             |       |       |       |
| 1941                                      | Unexpired unobligated balance, end of year .....            | 73    | 73    | 73    |
| <b>Change in obligated balance:</b>       |                                                             |       |       |       |
| Obligated balance, start of year (net):   |                                                             |       |       |       |
| 3000                                      | Unpaid obligations, brought forward, Oct 1 (gross) .....    | 23    | 31    | ..... |
| 3030                                      | Obligations incurred, unexpired accounts .....              | 162   | 149   | 150   |
| 3040                                      | Outlays (gross) .....                                       | -154  | -180  | -150  |
| Obligated balance, end of year (net):     |                                                             |       |       |       |
| 3090                                      | Unpaid obligations, end of year (gross) .....               | 31    | ..... | ..... |
| 3100                                      | Obligated balance, end of year (net) .....                  | 31    | ..... | ..... |
| <b>Budget authority and outlays, net:</b> |                                                             |       |       |       |
| Mandatory:                                |                                                             |       |       |       |
| 4090                                      | Budget authority, gross .....                               | 158   | 149   | 150   |
| Outlays, gross:                           |                                                             |       |       |       |
| 4100                                      | Outlays from new mandatory authority .....                  | 137   | 143   | 144   |
| 4101                                      | Outlays from mandatory balances .....                       | 17    | 37    | 6     |
| 4110                                      | Outlays, gross (total) .....                                | 154   | 180   | 150   |
| 4180                                      | Budget authority, net (total) .....                         | 158   | 149   | 150   |
| 4190                                      | Outlays, net (total) .....                                  | 154   | 180   | 150   |
| <b>Memorandum (non-add) entries:</b>      |                                                             |       |       |       |
| 5000                                      | Total investments, SOY: Federal securities: Par value ..... | 20    | ..... | 35    |
| 5001                                      | Total investments, EOY: Federal securities: Par value ..... | ..... | 35    | 35    |

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

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

|                                     |                                                            |             |           |           |
|-------------------------------------|------------------------------------------------------------|-------------|-----------|-----------|
| Identification code 12-8015-0-7-352 |                                                            | 2011 actual | 2012 est. | 2013 est. |
| Direct obligations:                 |                                                            |             |           |           |
| Personnel compensation:             |                                                            |             |           |           |
| 11.1                                | Full-time permanent .....                                  | 73          | 75        | 75        |
| 11.3                                | Other than full-time permanent .....                       | 6           | 7         | 7         |
| 11.5                                | Other personnel compensation .....                         | 11          | 11        | 11        |
| 11.9                                | Total personnel compensation .....                         | 90          | 93        | 93        |
| 12.1                                | Civilian personnel benefits .....                          | 28          | 28        | 28        |
| 13.0                                | Benefits for former personnel .....                        | 1           | .....     | .....     |
| 21.0                                | Travel and transportation of persons .....                 | 10          | 4         | 4         |
| 23.2                                | Rental payments to others .....                            | 2           | 1         | 1         |
| 23.3                                | Communications, utilities, and miscellaneous charges ..... | 2           | 3         | 4         |
| 25.2                                | Other services from non-Federal sources .....              | 3           | 7         | 7         |
| 25.3                                | Other goods and services from Federal sources .....        | 14          | 6         | 6         |
| 26.0                                | Supplies and materials .....                               | 2           | 2         | 2         |
| 31.0                                | Equipment .....                                            | 1           | 1         | 1         |
| 41.0                                | Grants, subsidies, and contributions .....                 | 9           | 4         | 4         |
| 99.9                                | Total new obligations .....                                | 162         | 149       | 150       |

**Employment Summary**

|                                     |                                                       |             |           |           |
|-------------------------------------|-------------------------------------------------------|-------------|-----------|-----------|
| Identification code 12-8015-0-7-352 |                                                       | 2011 actual | 2012 est. | 2013 est. |
| 1001                                | Direct civilian full-time equivalent employment ..... | 1,332       | 1,335     | 1,344     |

**MILK MARKET ORDERS ASSESSMENT FUND**

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

|                                                            |                                                                |             |           |           |
|------------------------------------------------------------|----------------------------------------------------------------|-------------|-----------|-----------|
| Identification code 12-8412-0-8-351                        |                                                                | 2011 actual | 2012 est. | 2013 est. |
| <b>Obligations by program activity:</b>                    |                                                                |             |           |           |
| 0801                                                       | Administration .....                                           | 47          | 47        | 49        |
| 0802                                                       | Marketing service .....                                        | 6           | 8         | 8         |
| 0900                                                       | Total new obligations .....                                    | 53          | 55        | 57        |
| <b>Budgetary Resources:</b>                                |                                                                |             |           |           |
| Budget authority:                                          |                                                                |             |           |           |
| Spending authority from offsetting collections, mandatory: |                                                                |             |           |           |
| 1800                                                       | Collected .....                                                | 53          | 55        | 57        |
| 1850                                                       | Spending auth from offsetting collections, mand (total) .....  | 53          | 55        | 57        |
| 1930                                                       | Total budgetary resources available .....                      | 53          | 55        | 57        |
| <b>Change in obligated balance:</b>                        |                                                                |             |           |           |
| 3030                                                       | Obligations incurred, unexpired accounts .....                 | 53          | 55        | 57        |
| 3040                                                       | Outlays (gross) .....                                          | -53         | -55       | -57       |
| <b>Budget authority and outlays, net:</b>                  |                                                                |             |           |           |
| Mandatory:                                                 |                                                                |             |           |           |
| 4090                                                       | Budget authority, gross .....                                  | 53          | 55        | 57        |
| Outlays, gross:                                            |                                                                |             |           |           |
| 4100                                                       | Outlays from new mandatory authority .....                     | 53          | 55        | 57        |
| Offsets against gross budget authority and outlays:        |                                                                |             |           |           |
| Offsetting collections (collected) from:                   |                                                                |             |           |           |
| 4123                                                       | Non-Federal sources .....                                      | -53         | -55       | -57       |
| <b>Memorandum (non-add) entries:</b>                       |                                                                |             |           |           |
| 5010                                                       | Total investments, SOY: non-Fed securities: Market value ..... | .....       | .....     | 1         |
| 5011                                                       | Total investments, EOY: non-Fed securities: Market value ..... | .....       | 1         | 1         |

The Secretary of Agriculture is authorized by the Agricultural Marketing Agreement Act of 1937, as amended under certain conditions to issue Federal milk marketing orders establishing minimum prices which handlers are required to pay for milk purchased from producers. There are currently 10 Federally-sanctioned milk market orders in operation.

Market administrators are appointed by the Secretary and are responsible for carrying out the terms of specific marketing orders. Their operating expenses, partly financed by assessments on regulated handlers and partly by deductions from producers, are reported to the Agricultural Marketing Service. The majority of these funds are collected and deposited in checking and savings accounts in local banks, and disbursed directly by the market administrator. A portion of the funds collected are invested in securities such as certificates of deposit.

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

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

## MILK MARKET ORDERS ASSESSMENT FUND—Continued

## Object Classification (in millions of dollars)

| Identification code 12-8412-0-8-351                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| Reimbursable obligations:                                       |             |           |           |
| 11.1 Personnel compensation: Full-time permanent .....          | 32          | 33        | 34        |
| 12.1 Civilian personnel benefits .....                          | 9           | 10        | 10        |
| 21.0 Travel and transportation of persons .....                 | 3           | 3         | 3         |
| 23.2 Rental payments to others .....                            | 4           | 4         | 4         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 2           | 2         | 2         |
| 25.2 Other services from non-Federal sources .....              | 1           | 1         | 1         |
| 26.0 Supplies and materials .....                               | 1           | 1         | 2         |
| 31.0 Equipment .....                                            | 1           | 1         | 1         |
| 99.9 Total new obligations .....                                | 53          | 55        | 57        |

## Employment Summary

| Identification code 12-8412-0-8-351                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 2001 Reimbursable civilian full-time equivalent employment ..... | 370         | 370       | 370       |

## RISK MANAGEMENT AGENCY

## Federal Funds

## RISK MANAGEMENT AGENCY

For necessary expenses of the Risk Management Agency, \$74,900,000: *Provided*, [That the funds made available under section 522(e) of the Federal Crop Insurance Act (7 U.S.C. 1522(e)) may be used for the Common Information Management System: *Provided further*, ] That not to exceed \$1,000 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i). (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

## Program and Financing (in millions of dollars)

| Identification code 12-2707-0-1-351                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                         |             |           |           |
| 0001 Administrative and operating expenses .....                | 78          | 75        | 75        |
| <b>Budgetary Resources:</b>                                     |             |           |           |
| Budget authority:                                               |             |           |           |
| Appropriations, discretionary:                                  |             |           |           |
| 1100 Appropriation .....                                        | 79          | 75        | 75        |
| 1160 Appropriation, discretionary (total) .....                 | 79          | 75        | 75        |
| 1930 Total budgetary resources available .....                  | 79          | 75        | 75        |
| Memorandum (non-add) entries:                                   |             |           |           |
| 1940 Unobligated balance expiring .....                         | -1          |           |           |
| <b>Change in obligated balance:</b>                             |             |           |           |
| Obligated balance, start of year (net):                         |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....   | 18          | 18        | 17        |
| 3030 Obligations incurred, unexpired accounts .....             | 78          | 75        | 75        |
| 3031 Obligations incurred, expired accounts .....               | 5           |           |           |
| 3040 Outlays (gross) .....                                      | -77         | -76       | -75       |
| 3081 Recoveries of prior year unpaid obligations, expired ..... | -6          |           |           |
| Obligated balance, end of year (net):                           |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....              | 18          | 17        | 17        |
| 3100 Obligated balance, end of year (net) .....                 | 18          | 17        | 17        |
| <b>Budget authority and outlays, net:</b>                       |             |           |           |
| Discretionary:                                                  |             |           |           |
| 4000 Budget authority, gross .....                              | 79          | 75        | 75        |
| Outlays, gross:                                                 |             |           |           |
| 4010 Outlays from new discretionary authority .....             | 61          | 60        | 60        |
| 4011 Outlays from discretionary balances .....                  | 16          | 16        | 15        |
| 4020 Outlays, gross (total) .....                               | 77          | 76        | 75        |
| 4180 Budget authority, net (total) .....                        | 79          | 75        | 75        |
| 4190 Outlays, net (total) .....                                 | 77          | 76        | 75        |

The Risk Management Agency (RMA) was established under provisions of the Federal Agriculture Improvement and Reform

Act of 1996 (1996 Act), P.L. 104-127, approved April 4, 1996. RMA is responsible for administration and oversight of programs authorized under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) and promotes the National welfare by improving the economic stability of agriculture through a secure system of crop insurance. This administrative expense account includes resources to maintain ongoing operations of the Federal crop insurance program and other functions assigned to RMA such as outreach and risk management education. This account covers expenses of national, regional and compliance offices located across the United States. The 2013 Budget maintains the 2012 enacted level of \$74.9 million.

The Federal Crop Insurance program is delivered through private insurance companies. Certain administrative expenses incurred by the companies are reimbursed through mandatory funding that is reflected in the Federal Crop Insurance Corporation Fund account. The funding in this account appropriately covers administrative activities for RMA where mandatory funding is not available and cannot be funded with funds from the Federal Crop Insurance Fund account.

## Object Classification (in millions of dollars)

| Identification code 12-2707-0-1-351                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                             |             |           |           |
| Personnel compensation:                                         |             |           |           |
| 11.1 Full-time permanent .....                                  | 44          | 44        | 44        |
| 11.3 Other than full-time permanent .....                       | 1           | 1         | 1         |
| 11.9 Total personnel compensation .....                         | 45          | 45        | 45        |
| 12.1 Civilian personnel benefits .....                          | 12          | 12        | 12        |
| 21.0 Travel and transportation of persons .....                 | 1           | 1         | 1         |
| 23.2 Rental payments to others .....                            | 1           | 1         | 1         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....              | 18          | 15        | 15        |
| 99.9 Total new obligations .....                                | 78          | 75        | 75        |

## Employment Summary

| Identification code 12-2707-0-1-351                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 505         | 505       | 505       |

## CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

## FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 516 of the Federal Crop Insurance Act (7 U.S.C. 1516), such sums as may be necessary, to remain available until expended. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

## Program and Financing (in millions of dollars)

| Identification code 12-4085-0-3-351     | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b> |             |           |           |
| 0001 Indemnities .....                  | 2,898       | 3,470     | 6,779     |
| 0002 Delivery Expenses .....            | 1,383       |           | 1,328     |
| 0003 Underwriting Gains .....           | 2,271       |           | 1,257     |

|                                                            |                                                               |        |         |         |
|------------------------------------------------------------|---------------------------------------------------------------|--------|---------|---------|
| 0004                                                       | Federal Crop Insurance Act Initiatives .....                  | 65     | 59      | 59      |
| 0005                                                       | Good Performance Discount .....                               |        |         | 75      |
| 0799                                                       | Total direct obligations .....                                | 6,617  | 3,529   | 9,498   |
| 0801                                                       | Reimbursable program - indemnities .....                      | 3,148  | 7,552   | 4,043   |
| 0802                                                       | Reimbursable program - program related IT .....               |        | 20      | 20      |
| 0899                                                       | Total reimbursable obligations .....                          | 3,148  | 7,572   | 4,063   |
| 0900                                                       | Total new obligations .....                                   | 9,765  | 11,101  | 13,561  |
| <b>Budgetary Resources:</b>                                |                                                               |        |         |         |
| Unobligated balance:                                       |                                                               |        |         |         |
| 1000                                                       | Unobligated balance brought forward, Oct 1 .....              | 558    | 561     | 561     |
| Budget authority:                                          |                                                               |        |         |         |
| Appropriations, discretionary:                             |                                                               |        |         |         |
| 1130                                                       | Appropriations permanently reduced .....                      |        |         | -75     |
| 1160                                                       | Appropriation, discretionary (total) .....                    |        |         | -75     |
| Appropriations, mandatory:                                 |                                                               |        |         |         |
| 1200                                                       | Appropriation .....                                           | 6,619  | 3,488   | 9,518   |
| 1220                                                       | Transferred to other accounts [12-0502] .....                 | -5     | -5      | -5      |
| 1221                                                       | Transferred from other accounts [12-4336] .....               | 6      | 6       | 4       |
| 1260                                                       | Appropriations, mandatory (total) .....                       | 6,620  | 3,489   | 9,517   |
| Spending authority from offsetting collections, mandatory: |                                                               |        |         |         |
| 1800                                                       | Collected .....                                               | 3,148  | 7,612   | 4,043   |
| 1850                                                       | Spending auth from offsetting collections, mand (total) ..... | 3,148  | 7,612   | 4,043   |
| 1900                                                       | Budget authority (total) .....                                | 9,768  | 11,101  | 13,485  |
| 1930                                                       | Total budgetary resources available .....                     | 10,326 | 11,662  | 14,046  |
| Memorandum (non-add) entries:                              |                                                               |        |         |         |
| 1941                                                       | Unexpired unobligated balance, end of year .....              | 561    | 561     | 485     |
| <b>Change in obligated balance:</b>                        |                                                               |        |         |         |
| Obligated balance, start of year (net):                    |                                                               |        |         |         |
| 3000                                                       | Unpaid obligations, brought forward, Oct 1 (gross) .....      | 211    | 441     | 177     |
| 3030                                                       | Obligations incurred, unexpired accounts .....                | 9,765  | 11,101  | 13,561  |
| 3040                                                       | Outlays (gross) .....                                         | -9,535 | -11,365 | -13,355 |
| Obligated balance, end of year (net):                      |                                                               |        |         |         |
| 3090                                                       | Unpaid obligations, end of year (gross) .....                 | 441    | 177     | 383     |
| 3100                                                       | Obligated balance, end of year (net) .....                    | 441    | 177     | 383     |
| <b>Budget authority and outlays, net:</b>                  |                                                               |        |         |         |
| Discretionary:                                             |                                                               |        |         |         |
| 4000                                                       | Budget authority, gross .....                                 |        |         | -75     |
| Outlays, gross:                                            |                                                               |        |         |         |
| 4010                                                       | Outlays from new discretionary authority .....                |        |         | -75     |
| Mandatory:                                                 |                                                               |        |         |         |
| 4090                                                       | Budget authority, gross .....                                 | 9,768  | 11,101  | 13,560  |
| Outlays, gross:                                            |                                                               |        |         |         |
| 4100                                                       | Outlays from new mandatory authority .....                    | 9,324  | 10,758  | 13,084  |
| 4101                                                       | Outlays from mandatory balances .....                         | 211    | 607     | 346     |
| 4110                                                       | Outlays, gross (total) .....                                  | 9,535  | 11,365  | 13,430  |
| Offsets against gross budget authority and outlays:        |                                                               |        |         |         |
| Offsetting collections (collected) from:                   |                                                               |        |         |         |
| 4123                                                       | Non-Federal sources .....                                     | -3,148 | -7,612  | -4,043  |
| 4180                                                       | Budget authority, net (total) .....                           | 6,620  | 3,489   | 9,442   |
| 4190                                                       | Outlays, net (total) .....                                    | 6,387  | 3,753   | 9,312   |

**Summary of Budget Authority and Outlays** (in millions of dollars)

|                                                | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------|-------------|-----------|-----------|
| <b>Enacted/requested:</b>                      |             |           |           |
| Budget Authority .....                         | 6,620       | 3,489     | 9,442     |
| Outlays .....                                  | 6,387       | 3,753     | 9,312     |
| <b>Legislative proposal, subject to PAYGO:</b> |             |           |           |
| Budget Authority .....                         |             |           | -225      |
| Outlays .....                                  |             |           | -225      |
| <b>Total:</b>                                  |             |           |           |
| Budget Authority .....                         | 6,620       | 3,489     | 9,217     |
| Outlays .....                                  | 6,387       | 3,753     | 9,087     |

The Federal Crop Insurance Corporation (FCIC) is a wholly owned government corporation created February 16, 1938 (7 U.S.C. 1501.) The program was amended by Public Law (P.L.) 96-365, dated September 26, 1980, to provide for nationwide expansion of a comprehensive crop insurance plan. The crop insurance program includes products involving yield and revenue insurance, pasture, rangeland and forage, livestock, and other educational and risk mitigation initiatives/tools to manage risk. FCIC is administered by the Risk Management Agency (RMA),

and provides economic stability to agriculture through a secure system of crop insurance. FCIC provides to farmers a risk management program that protects against agricultural production losses due to unavoidable causes such as drought, excessive moisture, hail, wind, hurricane, tornado, lightning, and insects. In addition to these causes, revenue insurance programs are available to protect against loss of revenue stemming from low prices, poor yields, or a combination of both. Federal crop insurance is available through private insurance companies that market and service policies and also share in the risk. Thus, the program delivery is a joint effort between the Federal government and the private insurance industry. There were over 1.1 million policies written in crop year 2011 with over \$11.8 billion in premiums and indemnities projected at about \$11.9 billion. Crop insurance is available for more than 350 different commodities in over 3,162 counties covering all 50 states, and Puerto Rico. RMA continues to pursue initiatives to make higher levels of crop insurance protection more affordable and useful to producers and improve program integrity.

The 2013 Budget requests \$9.4 billion, an increase of \$5.9 billion above the 2012 enacted level of \$3.5 billion. Policy changes in the 2008 Farm Bill resulted in deferred payments for delivery expenses and underwriting gains until 2013. Timing shifts/accelerated premium collection in 2012 reduced the need for premium subsidy in the same year. As a result there appears to be a large increase for premium subsidy in 2013, when in actuality, it is a return to normal subsidy levels.

The 2013 Budget continues to block spending for a good performance refund (GPR) program, which is projected to save \$75 million per year. The GPR would have provided a refund of a portion of the farmer paid premium to producers who had a favorable loss experience. Producer premiums are already highly subsidized by taxpayers, and the Administration does not believe that providing an additional premium refund is warranted.

Commercial insurance companies deliver crop insurance. For producers who obtain Catastrophic Crop Insurance (CAT), which compensates the farmer for losses exceeding 50 percent of the individual's average yield at 55 percent of the expected market price, the premium is entirely subsidized. The cost to the producer for this type of coverage is an annual administrative fee of \$300 per crop per county.

Additional coverage is available to producers and is commonly referred to as "buy-up" coverage. Policyholders can elect to be paid up to 100 percent of the market price established by FCIC for each unit of production their actual yield is less than the individual yield guarantee. Premium rates for additional coverage depend on the level of protection selected and vary from crop to crop and county to county. Producers are assessed a fee of \$30 per crop, per county, in addition to a share of the premium. The additional levels of insurance coverage are more attractive to farmers due to availability of optional units, other policy provisions not available with CAT coverage, and the ability to obtain a level of protection that permits them to use crop insurance as loan collateral and to achieve greater financial security.

Revenue protection for specified products is provided by extending traditional multi-peril crop insurance protection, based on actual production history, to include price variability based on futures market prices. Producers have a choice of revenue protection (protection against loss of revenue caused by low prices, low yields, or a combination of both) or yield protection (protection for production losses only) within one Basic Provision and the applicable Crop Provision.

FEDERAL CROP INSURANCE CORPORATION FUND—Continued

The following table illustrates Crop Year statistics as of September 30, 2011. Crop Year is generally all activity for crops from July 1-June 30 of a given year.

|                                     | 2011 CY est. | 2012 CY est. | 2013 CY est. |
|-------------------------------------|--------------|--------------|--------------|
| Number of States .....              | 50           | 50           | 50           |
| Number of counties .....            | 3,162        | 3,162        | 3,162        |
| Insurance in force (millions) ..... | 113,339      | 105,909      | 97,550       |
| Insured acreage (millions) .....    | 264          | 265          | 263          |
| Producer premium (millions) .....   | 4,472        | 4,155        | 3,978        |
| Premium subsidy (millions) .....    | 7,398        | 6,824        | 6,552        |
| Total premium (millions) .....      | 11,870       | 10,979       | 10,530       |
| Indemnities (millions) .....        | 11,989       | 10,979       | 10,530       |
| Loss ratio .....                    | 1.01         | 1.00         | 1.00         |

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

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

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

The following table illustrates premium subsidies and indemnities for all crop years as expected to occur during the period of October 1-September 30 for fiscal years 2012 and 2013 .

**PREMIUM AND SUBSIDY**

[In millions of dollars]

|                                             | FY 2012 est. | FY 2013 est. |
|---------------------------------------------|--------------|--------------|
| <b>Premiums:</b>                            |              |              |
| Additional coverage premium subsidy .....   | 3,096        | 6,339        |
| Catastrophic coverage premium subsidy ..... | 314          | 255          |
| Subtotal, premium subsidy .....             | 3,410        | 6,594        |
| Producer premium .....                      | 7,552        | 3,987        |
| Total premiums .....                        | 10,962       | 10,581       |
| <b>Indemnities:</b>                         |              |              |
| Additional coverage .....                   | 10,707       | 10,562       |
| Catastrophic coverage .....                 | 315          | 260          |
| Total indemnities .....                     | 11,022       | 10,822       |

**NET INCOME OR LOSS (-) ON INSURANCE OPERATIONS**

[In millions of dollars]

|                                                     | FY 2012 est. | FY 2013 est. |
|-----------------------------------------------------|--------------|--------------|
| Producer premium less indemnities .....             | -3,470       | -6,835       |
| Interest expense, net .....                         | 0            | 0            |
| Delivery expenses <sup>1</sup> .....                | 0            | 1,328        |
| Other income or expense, net (CAT fees) .....       | 60           | 56           |
| Federal Crop Insurance Act Initiatives .....        | 59           | 59           |
| Reinsurance underwriting gain (+) or loss (-) ..... | 0            | 1,258        |
| Net income or loss (-) .....                        | -3,351       | -4,134       |

<sup>1</sup>Figures reflect delivery expenses borne by the Fund in accordance with the Food, Conservation, and Energy Act of 2008, P.L. 110-246.

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

|                                                        | 2010 actual | 2011 actual |
|--------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                         |             |             |
| 1101 Federal assets: Fund balances with Treasury ..... | 668         | 755         |
| 1206 Non-Federal assets: Receivables, net .....        | 2,559       | 4,109       |
| 1999 Total assets .....                                | 3,227       | 4,864       |
| <b>LIABILITIES:</b>                                    |             |             |
| 2105 Federal liabilities: Other .....                  | 1           | 1           |

|                                               |        |        |
|-----------------------------------------------|--------|--------|
| <b>Non-Federal liabilities:</b>               |        |        |
| 2201 Accounts payable .....                   | 30     | 138    |
| 2207 Other .....                              | 5,225  | 11,352 |
| 2999 Total liabilities .....                  | 5,256  | 11,491 |
| <b>NET POSITION:</b>                          |        |        |
| 3100 Appropriated capital .....               | -122   | 538    |
| 3300 Cumulative results of operations .....   | -1,907 | -7,165 |
| 3999 Total net position .....                 | -2,029 | -6,627 |
| 4999 Total liabilities and net position ..... | 3,227  | 4,864  |

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

| Identification code 12-4085-0-3-351                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| 25.2 Other services-ARPA requirements .....                     | 65          | 59        | 59        |
| 25.2 Other services from non-Federal sources .....              | 3,654       |           | 2,585     |
| 25.2 Other services-Good Performance Discount .....             |             |           | 75        |
| 42.0 Insurance claims and indemnities (reinsured buyup) .....   | 2,898       | 3,470     | 6,779     |
| 99.0 Direct obligations .....                                   | 6,617       | 3,529     | 9,498     |
| <b>Reimbursable obligations:</b>                                |             |           |           |
| 42.0 Insurance claims, indemnities and program related IT ..... | 3,148       | 7,572     | 4,063     |
| 99.0 Reimbursable obligations .....                             | 3,148       | 7,572     | 4,063     |
| 99.9 Total new obligations .....                                | 9,765       | 11,101    | 13,561    |

FEDERAL CROP INSURANCE CORPORATION FUND

(Legislative proposal, subject to PAYGO)

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

| Identification code 12-4085-4-3-351                   | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------|-------------|-----------|-----------|
| <b>Budgetary Resources:</b>                           |             |           |           |
| Budget authority:                                     |             |           |           |
| Appropriations, mandatory:                            |             |           |           |
| 1200 Appropriation .....                              |             |           | -225      |
| 1260 Appropriations, mandatory (total) .....          |             |           | -225      |
| 1930 Total budgetary resources available .....        |             |           | -225      |
| Memorandum (non-add) entries:                         |             |           |           |
| 1941 Unexpired unobligated balance, end of year ..... |             |           | -225      |
| <b>Change in obligated balance:</b>                   |             |           |           |
| 3040 Outlays (gross) .....                            |             |           | 225       |
| Obligated balance, end of year (net):                 |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....    |             |           | 225       |
| 3100 Obligated balance, end of year (net) .....       |             |           | 225       |
| <b>Budget authority and outlays, net:</b>             |             |           |           |
| Mandatory:                                            |             |           |           |
| 4090 Budget authority, gross .....                    |             |           | -225      |
| Outlays, gross:                                       |             |           |           |
| 4100 Outlays from new mandatory authority .....       |             |           | -225      |
| 4180 Budget authority, net (total) .....              |             |           | -225      |
| 4190 Outlays, net (total) .....                       |             |           | -225      |

As part of the President's commitment to fiscal responsibility the Budget includes four proposals. The proposals include programmatic changes that:

1. Establish a reasonable rate of return to participating crop insurance companies. A USDA commissioned study found that when compared to other private companies, crop insurance companies rate of return on investment (ROI) should be around 12 percent, but that it is currently expected to be 14 percent. The Administration is proposing to lower the crop insurance companies' ROI to meet the 12 percent target. This proposal is expected to save about \$1.2 billion over 10 years.

2. Reduce the reimbursement rate of administrative and operating expenses. The current cap on administrative expenses to be paid to participating crop insurance companies is based on the 2010 premiums, which were among the highest ever. A more appropriate level for the cap would be based on 2006 premiums, neutralizing the spike in commodity prices over the last four years, but not harming the delivery system. The Administration,

therefore, proposes setting the cap at \$0.9 billion adjusted annually for inflation. This proposal is expected to save about \$2.9 billion over 10 years.

3. Decrease the premium subsidy paid on behalf of producers by 2 percentage points. The proposal would reduce the premium subsidy levels by 2 percentage points for those policies that are currently subsidized by more than 50 percent. This proposal is expected to save about \$3.3 billion over 10 years.

4. Reduce the premium rate on catastrophic coverage to better reflect historical performance. This proposal would require that USDA reset premium rates to more accurately reflect the performance of the catastrophic portfolio. The proposal is expected to save about \$255 million over 10 years.

## FARM SERVICE AGENCY

### Federal Funds

#### SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Farm Service Agency, **[\$1,198,966,000, of which \$13,000,000 shall be for the Common Computing Environment and of which not less than \$66,685,000 shall be for Modernize and Innovate the Delivery of Agricultural Systems] \$1,208,290,000: Provided, That the Secretary is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: Provided further, That other funds made available to the Agency for authorized activities may be advanced to and merged with this account: Provided further, That funds made available to county committees shall remain available until expended. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)**

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

| Identification code 12-0600-0-1-351                                             | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                         |             |           |           |
| 0001 Conservation .....                                                         | 313         | 306       | 308       |
| 0002 Income support .....                                                       | 888         | 867       | 874       |
| 0005 Commodity operations .....                                                 | 26          | 26        | 26        |
| 0300 Subtotal, direct program .....                                             | 1,227       | 1,199     | 1,208     |
| 0799 Total direct obligations .....                                             | 1,227       | 1,199     | 1,208     |
| 0801 Farm loans .....                                                           | 305         | 290       | 305       |
| 0802 Other programs .....                                                       | 97          | 93        | 92        |
| 0899 Total reimbursable obligations .....                                       | 402         | 383       | 397       |
| 0900 Total new obligations .....                                                | 1,629       | 1,582     | 1,605     |
| <b>Budgetary Resources:</b>                                                     |             |           |           |
| Unobligated balance:                                                            |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                           | 8           | 16        | 16        |
| 1012 Unobligated balance transfers between expired and unexpired accounts ..... | 41          |           |           |
| 1050 Unobligated balance (total) .....                                          | 49          | 16        | 16        |
| Budget authority:                                                               |             |           |           |
| Appropriations, discretionary:                                                  |             |           |           |
| 1100 Appropriation .....                                                        | 1,211       | 1,199     | 1,208     |
| 1130 Appropriations permanently reduced .....                                   | -2          |           |           |
| 1160 Appropriation, discretionary (total) .....                                 | 1,209       | 1,199     | 1,208     |
| Spending authority from offsetting collections, discretionary:                  |             |           |           |
| 1700 Collected .....                                                            | 287         | 383       | 397       |
| 1701 Change in uncollected payments, Federal sources .....                      | 116         |           |           |
| 1750 Spending auth from offsetting collections, disc (total) .....              | 403         | 383       | 397       |
| 1900 Budget authority (total) .....                                             | 1,612       | 1,582     | 1,605     |
| 1930 Total budgetary resources available .....                                  | 1,661       | 1,598     | 1,621     |
| Memorandum (non-add) entries:                                                   |             |           |           |
| 1940 Unobligated balance expiring .....                                         | -16         |           |           |
| 1941 Unexpired unobligated balance, end of year .....                           | 16          | 16        | 16        |
| <b>Change in obligated balance:</b>                                             |             |           |           |
| Obligated balance, start of year (net):                                         |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....                   | 274         | 242       | 176       |

|                                                         |                                                                |        |        |        |
|---------------------------------------------------------|----------------------------------------------------------------|--------|--------|--------|
| 3010                                                    | Uncollected pymts, Fed sources, brought forward, Oct 1 .....   | -15    | -125   | -125   |
| 3020                                                    | Obligated balance, start of year (net) .....                   | 259    | 117    | 51     |
| 3030                                                    | Obligations incurred, unexpired accounts .....                 | 1,629  | 1,582  | 1,605  |
| 3031                                                    | Obligations incurred, expired accounts .....                   | 33     |        |        |
| 3040                                                    | Outlays (gross) .....                                          | -1,656 | -1,648 | -1,604 |
| 3050                                                    | Change in uncollected pymts, Fed sources, unexpired .....      | -116   |        |        |
| 3051                                                    | Change in uncollected pymts, Fed sources, expired .....        | 6      |        |        |
| 3081                                                    | Recoveries of prior year unpaid obligations, expired .....     | -38    |        |        |
| Obligated balance, end of year (net):                   |                                                                |        |        |        |
| 3090                                                    | Unpaid obligations, end of year (gross) .....                  | 242    | 176    | 177    |
| 3091                                                    | Uncollected pymts, Fed sources, end of year .....              | -125   | -125   | -125   |
| 3100                                                    | Obligated balance, end of year (net) .....                     | 117    | 51     | 52     |
| <b>Budget authority and outlays, net:</b>               |                                                                |        |        |        |
| Discretionary:                                          |                                                                |        |        |        |
| 4000                                                    | Budget authority, gross .....                                  | 1,612  | 1,582  | 1,605  |
| Outlays, gross:                                         |                                                                |        |        |        |
| 4010                                                    | Outlays from new discretionary authority .....                 | 1,412  | 1,390  | 1,412  |
| 4011                                                    | Outlays from discretionary balances .....                      | 244    | 258    | 192    |
| 4020                                                    | Outlays, gross (total) .....                                   | 1,656  | 1,648  | 1,604  |
| Offsets against gross budget authority and outlays:     |                                                                |        |        |        |
| Offsetting collections (collected) from:                |                                                                |        |        |        |
| 4030                                                    | Federal sources .....                                          | -298   | -383   | -397   |
| Additional offsets against gross budget authority only: |                                                                |        |        |        |
| 4050                                                    | Change in uncollected pymts, Fed sources, unexpired .....      | -116   |        |        |
| 4052                                                    | Offsetting collections credited to expired accounts .....      | 11     |        |        |
| 4060                                                    | Additional offsets against budget authority only (total) ..... | -105   |        |        |
| 4070                                                    | Budget authority, net (discretionary) .....                    | 1,209  | 1,199  | 1,208  |
| 4080                                                    | Outlays, net (discretionary) .....                             | 1,358  | 1,265  | 1,207  |
| 4180                                                    | Budget authority, net (total) .....                            | 1,209  | 1,199  | 1,208  |
| 4190                                                    | Outlays, net (total) .....                                     | 1,358  | 1,265  | 1,207  |

The Farm Service Agency (FSA) was established October 3, 1994, pursuant to the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994, P.L. 103-354. The Department of Agriculture Reorganization Act of 1994 was amended on April 4, 1996, by the Federal Agriculture Improvement and Reform Act of 1996 (1996 Act), P.L. 104-127. The FSA administers a variety of activities, such as farm income support programs through various loans and payments; the Conservation Reserve Program (CRP); the Emergency Conservation Program; the Hazardous Waste Management Program; the Commodity Operation Programs including the warehouse examination function; farm ownership, farm operating, emergency disaster, and other loan programs; and the Noninsured Crop Disaster Assistance Program (NAP), which provides crop loss protection for growers of many crops for which crop insurance is not available. FSA also assists in the administration of several conservation cost-share programs financed by the Commodity Credit Corporation (CCC), including the Grasslands Reserve Program (GRP). In addition, FSA currently provides certain administrative support services to the Foreign Agricultural Service (FAS) and to the Risk Management Agency (RMA).

This consolidated administrative expenses account includes funds to cover expenses of programs administered by, and functions assigned to, FSA. The funds consist of a direct appropriation, transfers from program loan accounts under credit reform procedures, user fees, and advances and reimbursements from other sources. This is a consolidated account for administrative expenses of national, regional, State, and county offices. The 2013 Budget maintains the 2012 enacted level of the direct appropriation and program transfers at \$1.5 billion.

USDA's FSA, Natural Resources Conservation Service, and Rural Development offices act as separate franchises, with offices often located adjacent to each other. Prior efforts to improve the efficiency of USDA's county-based offices have resulted in significant co-location and introduction of new information technology to simplify customer transactions.

*Farm programs.*—These programs provide an economic safety net through farm income support to eligible producers, cooperat-

SALARIES AND EXPENSES—Continued

ives, and associations to help improve the economic stability and viability of the agricultural sector and to ensure the production of an adequate and reasonably priced supply of food and fiber. Activities of the Agency include providing direct and counter-cyclical payments, providing marketing assistance loans and loan deficiency payments enabling recipients to continue farming operations without marketing their product immediately after harvest, and providing a financial safety net to eligible producers when natural disasters adversely affect their farming operation. These programs range from covering losses of; grazing under the Livestock Forage Disaster Program, orchard trees and nursery to help replant or rehabilitate trees under the Tree Assistance Program, crop production and quality under the Supplemental Revenue Assistance Payments Program, production under the Noninsured Crop Disaster Assistance Program, livestock under the Livestock Indemnity Program, livestock, honeybees and farm raised fish for losses that are not covered under the previously listed programs under the Emergency Assistance for Livestock, Honeybees, and Farm Raised Fish.

Farm program activities include the following functions dealing with the administration of programs carried out through the farmer committee system of the FSA: (a) developing program regulations and procedures; (b) collecting and compiling basic data for individual farms; (c) establishing individual farm allotments for farm planting history; (d) notifying producers of established allotments and farm planting histories; (e) conducting referendums and certifying results; (f) accepting farmer certifications and checking compliance for specific purposes; (g) processing commodity loan documents and issuing checks; (h) processing direct and counter-cyclical payments and issuing checks; (i) certifying payment eligibility and monitoring payment limitations; and (j) processing farm storage facility loans and issuing checks.

**Conservation and environment.**—These programs assist agricultural producers and landowners in implementing practices to conserve soil, water, air, and wildlife resources on America's farmland and ranches to help protect the human and natural environment. Objectives of the Agency include improving environmental quality, protecting natural resources, and enhancing habitat for fish and wildlife, including threatened and endangered species; providing Emergency Conservation Program funding for farmers and ranchers to rehabilitate damaged farmland and for carrying out emergency conservation measures during periods of severe drought or flooding; protecting the public health of communities through implementation of the Hazardous Waste Management Program; and implementing contracting, financial reporting, and other administrative operations processes. These activities include: (a) processing producer requests for conservation cost-sharing and issuing conservation reserve rental payments; and (b) transferring funds to the Natural Resources Conservation Service and other agencies for other conservation programs.

**Commodity operations.**—This activity includes: (a) overall management of CCC-owned commodities; (b) purchasing commodities; (c) donating commodities; (d) selling commodities; (e) accounting for loans and commodities; and (f) commercial warehouse activities, which include improving the effectiveness and efficiency of FSA's commodity acquisition, procurement, storage, and distribution activities to support domestic and international food assistance programs and administering the U.S. Warehouse Act (USWA). FSA provides for the examination of warehouses licensed under the USWA and non-licensed warehouses storing CCC-owned or pledged commodities. Examiners perform periodic ex-

aminations of the facilities and the warehouse records to ensure protection of depositors against potential losses of the stored commodities and to ensure compliance with the USWA and any CCC storage agreements.

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

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

Object Classification (in millions of dollars)

| Identification code 12-0600-0-1-351                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| <b>Personnel compensation:</b>                                  |             |           |           |
| 11.1 Full-time permanent .....                                  | 183         | 150       | 154       |
| 11.3 Other than full-time permanent .....                       | 2           | 1         | 1         |
| 11.5 Other personnel compensation .....                         | 1           | 1         | .....     |
| 11.9 Total personnel compensation .....                         | 186         | 152       | 155       |
| 12.1 Civilian personnel benefits .....                          | 56          | 46        | 42        |
| 13.0 Benefits for former personnel .....                        | 1           | 5         | .....     |
| 21.0 Travel and transportation of persons .....                 | 6           | 5         | 5         |
| 22.0 Transportation of things .....                             | 2           | 2         | 2         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 12          | 14        | 14        |
| 24.0 Printing and reproduction .....                            | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....              | 265         | 325       | 333       |
| 26.0 Supplies and materials .....                               | 2           | 2         | 2         |
| 31.0 Equipment .....                                            | 3           | .....     | .....     |
| 41.0 Grants, subsidies, and contributions .....                 | 692         | 647       | 654       |
| 42.0 Insurance claims and indemnities .....                     | 1           | .....     | .....     |
| 99.0 Direct obligations .....                                   | 1,227       | 1,199     | 1,208     |
| 99.0 Reimbursable obligations .....                             | 402         | 383       | 397       |
| 99.9 Total new obligations .....                                | 1,629       | 1,582     | 1,605     |

Employment Summary

| Identification code 12-0600-0-1-351                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 1,977       | 2,120     | 2,120     |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 2,941       | 2,374     | 2,374     |

STATE MEDIATION GRANTS

For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987, as amended (7 U.S.C. 5101-5106), **[\$3,759,000] \$4,369,000.** (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-0170-0-1-351     | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b> |             |           |           |
| 0001 State mediation grants .....       | 4           | 4         | 4         |



|                                           |                                                    |    |    |    |
|-------------------------------------------|----------------------------------------------------|----|----|----|
| 0900                                      | Total new obligations (object class 41.0)          | 4  | 4  | 4  |
| <b>Budgetary Resources:</b>               |                                                    |    |    |    |
| Budget authority:                         |                                                    |    |    |    |
| Appropriations, discretionary:            |                                                    |    |    |    |
| 1100                                      | Appropriation                                      | 4  | 4  | 4  |
| 1160                                      | Appropriation, discretionary (total)               | 4  | 4  | 4  |
| 1930                                      | Total budgetary resources available                | 4  | 4  | 4  |
| <b>Change in obligated balance:</b>       |                                                    |    |    |    |
| Obligated balance, start of year (net):   |                                                    |    |    |    |
| 3000                                      | Unpaid obligations, brought forward, Oct 1 (gross) | 2  | 2  | 2  |
| 3030                                      | Obligations incurred, unexpired accounts           | 4  | 4  | 4  |
| 3040                                      | Outlays (gross)                                    | -4 | -4 | -5 |
| Obligated balance, end of year (net):     |                                                    |    |    |    |
| 3090                                      | Unpaid obligations, end of year (gross)            | 2  | 2  | 1  |
| 3100                                      | Obligated balance, end of year (net)               | 2  | 2  | 1  |
| <b>Budget authority and outlays, net:</b> |                                                    |    |    |    |
| Discretionary:                            |                                                    |    |    |    |
| 4000                                      | Budget authority, gross                            | 4  | 4  | 4  |
| Outlays, gross:                           |                                                    |    |    |    |
| 4010                                      | Outlays from new discretionary authority           | 2  | 2  | 2  |
| 4011                                      | Outlays from discretionary balances                | 2  | 2  | 3  |
| 4020                                      | Outlays, gross (total)                             | 4  | 4  | 5  |
| 4180                                      | Budget authority, net (total)                      | 4  | 4  | 4  |
| 4190                                      | Outlays, net (total)                               | 4  | 4  | 5  |

|                                           |                                          |       |  |        |
|-------------------------------------------|------------------------------------------|-------|--|--------|
| <b>Change in obligated balance:</b>       |                                          |       |  |        |
| 3030                                      | Obligations incurred, unexpired accounts |       |  | 1,150  |
| 3040                                      | Outlays (gross)                          |       |  | -1,150 |
| <b>Budget authority and outlays, net:</b> |                                          |       |  |        |
| Mandatory:                                |                                          |       |  |        |
| 4090                                      | Budget authority, gross                  | 1,150 |  |        |
| Outlays, gross:                           |                                          |       |  |        |
| 4101                                      | Outlays from mandatory balances          |       |  | 1,150  |
| 4180                                      | Budget authority, net (total)            | 1,150 |  |        |
| 4190                                      | Outlays, net (total)                     |       |  | 1,150  |

The Claims Resolution Act of 2010, P.L. 111–291 that was signed into law on December 8, 2010 provides funding to settle claims of prior discrimination brought by black farmers against the Department of Agriculture. These funds supplement funding previously provided to USDA for this purpose by section 14012 of P.L. 110–246. Claimants that suffered discrimination between 1989 and 1997 and submitted a late-filing request can seek fast-track payments of up to \$50,000 plus debt relief, or choose a longer, more rigorous review and documentation process for damages of up to \$250,000. The actual value of awards may be reduced based on the total amount of funds made available and the number of successful claims.

This grant program is authorized by Title V of the Agricultural Credit Act of 1987, P.L. 100–233, as amended. Originally designed to address agricultural credit disputes, the program was expanded by the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (P.L. 103–354) to include other agricultural issues such as wetland determinations, conservation compliance, rural water loan programs, grazing on National Forest System lands, and pesticide use. Grants are made to States whose agricultural mediation programs have been certified by the Farm Service Agency. A grant will not exceed 70 percent of the total fiscal year funds that a qualifying State requires to operate and administer its agricultural mediation program. In no case will the total amount of a grant exceed \$500,000 annually. Current authority for the program under P.L. 111–233 expires September 10, 2015. The 2013 Budget requests \$4.4 million for the program, which is \$0.6 million above the 2012 enacted level.

USDA SUPPLEMENTAL ASSISTANCE

Program and Financing (in millions of dollars)

| Identification code 12–2701–0–1–351                            | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                        |             |           |           |
| 0001 Geographically disadvantaged farmers and ranchers program | 2           | 2         |           |
| 0900 Total new obligations (object class 41.0)                 | 2           | 2         |           |
| <b>Budgetary Resources:</b>                                    |             |           |           |
| Unobligated balance:                                           |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1                | 779         | 782       | 967       |
| 1021 Recoveries of prior year unpaid obligations               | 3           | 185       |           |
| 1050 Unobligated balance (total)                               | 782         | 967       | 967       |
| Budget authority:                                              |             |           |           |
| Appropriations, discretionary:                                 |             |           |           |
| 1100 Appropriation                                             | 2           | 2         |           |
| 1160 Appropriation, discretionary (total)                      | 2           | 2         |           |
| 1930 Total budgetary resources available                       | 784         | 969       | 967       |
| Memorandum (non-add) entries:                                  |             |           |           |
| 1941 Unexpired unobligated balance, end of year                | 782         | 967       | 967       |

GRANT OBLIGATIONS

|                                           | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------|-------------|-----------|-----------|
| Number of States receiving grants         | 38          | 38        | 38        |
| Amount of grants (in millions of dollars) | 4           | 4         | 4         |

DISCRIMINATION CLAIMS SETTLEMENT

Program and Financing (in millions of dollars)

| Identification code 12–1144–0–1–351             | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>         |             |           |           |
| 0001 Discrimination Claims Settlement           |             |           | 1,150     |
| 0900 Total new obligations (object class 42.0)  |             |           | 1,150     |
| <b>Budgetary Resources:</b>                     |             |           |           |
| Unobligated balance:                            |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 |             | 1,150     | 1,150     |
| Budget authority:                               |             |           |           |
| Appropriations, mandatory:                      |             |           |           |
| 1200 Appropriation                              | 1,150       |           |           |
| 1260 Appropriations, mandatory (total)          | 1,150       |           |           |
| 1900 Budget authority (total)                   | 1,150       |           |           |
| 1930 Total budgetary resources available        | 1,150       | 1,150     | 1,150     |
| Memorandum (non-add) entries:                   |             |           |           |
| 1941 Unexpired unobligated balance, end of year | 1,150       | 1,150     |           |

|                                           |                                                        |     |      |    |
|-------------------------------------------|--------------------------------------------------------|-----|------|----|
| <b>Change in obligated balance:</b>       |                                                        |     |      |    |
| Obligated balance, start of year (net):   |                                                        |     |      |    |
| 3000                                      | Unpaid obligations, brought forward, Oct 1 (gross)     | 210 | 187  | 2  |
| 3030                                      | Obligations incurred, unexpired accounts               | 2   | 2    |    |
| 3040                                      | Outlays (gross)                                        | -22 | -2   | -2 |
| 3080                                      | Recoveries of prior year unpaid obligations, unexpired | -3  | -185 |    |
| Obligated balance, end of year (net):     |                                                        |     |      |    |
| 3090                                      | Unpaid obligations, end of year (gross)                | 187 | 2    |    |
| 3100                                      | Obligated balance, end of year (net)                   | 187 | 2    |    |
| <b>Budget authority and outlays, net:</b> |                                                        |     |      |    |
| Discretionary:                            |                                                        |     |      |    |
| 4000                                      | Budget authority, gross                                | 2   | 2    |    |
| Outlays, gross:                           |                                                        |     |      |    |
| 4011                                      | Outlays from discretionary balances                    | 22  | 2    | 2  |
| 4180                                      | Budget authority, net (total)                          | 2   | 2    |    |
| 4190                                      | Outlays, net (total)                                   | 22  | 2    | 2  |

On May 25, 2007, the President signed into law the "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007" (2007 Act), P.L. 110–28. The 2007 Act provided \$2.8 billion in agricultural disaster aid for America's farmers and ranchers. Specifically, the 2007 Act provided funds for a Crop Disaster Program, Livestock Compens-

USDA SUPPLEMENTAL ASSISTANCE—Continued

ation Program, Livestock Indemnity Program, and Dairy Disaster Assistance Program. The USDA Farm Service Agency (FSA) published regulations in the Federal Register to implement the programs. In addition, FSA designed and developed software for sign-up and payment processes. The 2008 Consolidated Appropriations Act, P.L. 110–161, provided an additional \$602 million under Sec. 743, which extended the period of eligibility for disaster assistance from February 28, 2007 to December 31, 2007. Outlays were first made in 2008 and continued into 2009, 2010 and 2011.

The following table shows outlays for 2011 by program.

**USDA Disaster Assistance Program**

| Programs                             | Outlays  |
|--------------------------------------|----------|
| Crop Disaster Assistance .....       | 1        |
| Livestock Compensation Program ..... | 0        |
| Livestock Indemnity .....            | 0        |
| <b>Total .....</b>                   | <b>1</b> |

This account also includes three other programs authorized by the 2010 USDA Appropriations Act, P.L. 111–80. Section 748(a) appropriated \$290 million for loss assistance payments to eligible dairy producers. FSA published regulations in the Federal Register to implement the program. Eligible producers received a one-time direct payment based on the amount of milk both produced and commercially marketed by their operation during the months of February through July 2009. Payments to eligible Dairy Economic Loss Assistance Payment (DELAP) program producers were issued in three payment phases. Phase I payments were issued in mid-December 2009 to eligible dairy producers with production records from previous participation in dairy programs administered by the FSA. Dairy producers who did not have production records at the FSA county office but submitted a request for DELAP benefits before the application deadline of Jan. 19, 2010, were issued payments in Phase II beginning June 18, 2010. DELAP Phase III was disbursed to eligible dairy producers that received DELAP benefits under Phase I or Phase II. Of the \$290 million budgeted for DELAP, a total of \$273 million was dispersed to eligible dairy producers under DELAP Phase I and Phase II in fiscal year 2010. The remaining \$17 million minus a reserve established by FSA was dispersed during Phase III in fiscal year 2011. The 2013 Budget includes no funding for this program.

In addition, Section 741 of P.L. 111–80 appropriated \$3 million for a Durum Wheat Quality Program (DWQP) authorized by Section 1613 of the Food, Conservation, and Energy Act of 2008, P.L. 110–246. DWQP signup period was from July 21, 2010, through September 15, 2010. In the first quarter of FY 2011, FSA disbursed \$2,778,265 of the \$2,849,958 of 2010 DWQP funding allotted to approximately 1,020 eligible durum wheat producers in 5 States (Idaho, Minnesota, Montana, North Dakota, and South Dakota). FSA held \$150,042 of DWQP in reserve. The 2013 Budget includes no funding for this program.

Section 741 of P.L. 111–80 also appropriated \$2.6 million for a Geographically Disadvantaged Farmers and Ranchers Program authorized by Section 1621 of P.L. 110–246. Program signup began on August 3, 2010, and ended on September 10, 2010. FSA received applications from 1,545 applicants. Payments were issued in 2011. Section 1275 of the 2011 Department of Defense and Full-Year Appropriations Act, P.L. 112–10 appropriated \$1,996,000 for a Geographically Disadvantaged Farmers and Ranchers Program. Signup was held in 2011 and payments will be made in 2012. Section 724 of the 2012 Consolidated and Further Continuing Appropriations Act, P.L. 112–55 also appropriated \$1,996,000 for a Geographically Disadvantaged Farmers

and Ranchers Program. Signup will be held in 2012 and payment will be issued in 2013. The 2013 Budget includes no funding for this program.

AQUACULTURE ASSISTANCE, RECOVERY ACT

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

| Identification code 12–3317–0–1–351                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Change in obligated balance:</b>                             |             |           |           |
| Obligated balance, start of year (net):                         |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....   | 1           |           |           |
| 3081 Recoveries of prior year unpaid obligations, expired ..... | -1          |           |           |

REFORESTATION PILOT PROGRAM

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

| Identification code 12–3305–0–1–302                           | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                       |             |           |           |
| 0001 Reforestation pilot program .....                        | 1           | 1         |           |
| 0900 Total new obligations (object class 41.0) .....          | 1           | 1         |           |
| <b>Budgetary Resources:</b>                                   |             |           |           |
| Budget authority:                                             |             |           |           |
| Appropriations, discretionary:                                |             |           |           |
| 1100 Appropriation .....                                      | 1           | 1         |           |
| 1160 Appropriation, discretionary (total) .....               | 1           | 1         |           |
| 1930 Total budgetary resources available .....                | 1           | 1         |           |
| <b>Change in obligated balance:</b>                           |             |           |           |
| Obligated balance, start of year (net):                       |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) ..... |             | 1         |           |
| 3030 Obligations incurred, unexpired accounts .....           | 1           | 1         |           |
| 3040 Outlays (gross) .....                                    |             |           | -2        |
| Obligated balance, end of year (net):                         |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....            | 1           |           |           |
| 3100 Obligated balance, end of year (net) .....               | 1           |           |           |
| <b>Budget authority and outlays, net:</b>                     |             |           |           |
| Discretionary:                                                |             |           |           |
| 4000 Budget authority, gross .....                            | 1           | 1         |           |
| Outlays, gross:                                               |             |           |           |
| 4010 Outlays from new discretionary authority .....           |             | 1         |           |
| 4011 Outlays from discretionary balances .....                |             | 1         |           |
| 4020 Outlays, gross (total) .....                             |             | 2         |           |
| 4180 Budget authority, net (total) .....                      | 1           | 1         |           |
| 4190 Outlays, net (total) .....                               |             | 2         |           |

For 2011, \$639,000 was appropriated by section 1298 of P.L. 112–10 for the Farm Service Agency to carry out a reforestation pilot program. For 2012, \$600,000 was also appropriated by Section 727 of the 2012 Consolidated and Further Continuing Appropriations Act, P.L. 112–55. The program's purpose is to demonstrate the use of new technologies that increase the rate of growth of re-forested hardwood trees on private non-industrial forest lands, enrolling lands on the coast of the Gulf of Mexico that were damaged by Hurricane Katrina in 2005. The 2013 Budget proposes no funding for this program.

EMERGENCY CONSERVATION PROGRAM

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

| Identification code 12–3316–0–1–453       | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>   |             |           |           |
| 0001 Emergency conservation program ..... | 64          | 115       | 114       |

|                                           |                                                        |      |     |      |
|-------------------------------------------|--------------------------------------------------------|------|-----|------|
| 0900                                      | Total new obligations (object class 41.0)              | 64   | 115 | 114  |
| <b>Budgetary Resources:</b>               |                                                        |      |     |      |
| Unobligated balance:                      |                                                        |      |     |      |
| 1000                                      | Unobligated balance brought forward, Oct 1             | 40   | 106 | 114  |
| 1021                                      | Recoveries of prior year unpaid obligations            | 130  |     |      |
| 1050                                      | Unobligated balance (total)                            | 170  | 106 | 114  |
| Budget authority:                         |                                                        |      |     |      |
| Appropriations, discretionary:            |                                                        |      |     |      |
| 1100                                      | Appropriation                                          |      | 123 |      |
| 1160                                      | Appropriation, discretionary (total)                   |      | 123 |      |
| 1930                                      | Total budgetary resources available                    | 170  | 229 | 114  |
| Memorandum (non-add) entries:             |                                                        |      |     |      |
| 1941                                      | Unexpired unobligated balance, end of year             | 106  | 114 |      |
| <b>Change in obligated balance:</b>       |                                                        |      |     |      |
| Obligated balance, start of year (net):   |                                                        |      |     |      |
| 3000                                      | Unpaid obligations, brought forward, Oct 1 (gross)     | 133  | 32  | 78   |
| 3030                                      | Obligations incurred, unexpired accounts               | 64   | 115 | 114  |
| 3040                                      | Outlays (gross)                                        | -35  | -69 | -101 |
| 3080                                      | Recoveries of prior year unpaid obligations, unexpired | -130 |     |      |
| Obligated balance, end of year (net):     |                                                        |      |     |      |
| 3090                                      | Unpaid obligations, end of year (gross)                | 32   | 78  | 91   |
| 3100                                      | Obligated balance, end of year (net)                   | 32   | 78  | 91   |
| <b>Budget authority and outlays, net:</b> |                                                        |      |     |      |
| Discretionary:                            |                                                        |      |     |      |
| 4000                                      | Budget authority, gross                                |      | 123 |      |
| Outlays, gross:                           |                                                        |      |     |      |
| 4011                                      | Outlays from discretionary balances                    | 35   | 69  | 101  |
| 4180                                      | Budget authority, net (total)                          |      | 123 |      |
| 4190                                      | Outlays, net (total)                                   | 35   | 69  | 101  |

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

For 2011, no funding was provided for ECP; however, \$28.011 million was allocated from prior year balances. Under the 2011 program, cost-sharing and technical assistance were provided in 24 States to treat farmlands damaged by drought, floods, ice storms, tornadoes, wildfires and other natural disasters. Outlays to States in 2011 totaled \$35.1 million. For 2012, the Consolidated and Further Continuing Appropriations Act, 2012, P.L. 112–55 included \$122.7 million for ECP for expenses resulting from major disasters declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.). These funds are available until expended. The 2013 Budget does not propose funding for this program.

EMERGENCY FOREST RESTORATION PROGRAM

Program and Financing (in millions of dollars)

| Identification code 12–0171–0–1–453     | 2011 actual                                | 2012 est. | 2013 est. |   |
|-----------------------------------------|--------------------------------------------|-----------|-----------|---|
| <b>Obligations by program activity:</b> |                                            |           |           |   |
| 0001                                    | EFRP                                       | 2         | 40        | 4 |
| 0900                                    | Total new obligations (object class 41.0)  | 2         | 40        | 4 |
| <b>Budgetary Resources:</b>             |                                            |           |           |   |
| Unobligated balance:                    |                                            |           |           |   |
| 1000                                    | Unobligated balance brought forward, Oct 1 | 18        | 16        | 4 |
| Budget authority:                       |                                            |           |           |   |
| Appropriations, discretionary:          |                                            |           |           |   |
| 1100                                    | Appropriation                              |           | 28        |   |
| 1160                                    | Appropriation, discretionary (total)       |           | 28        |   |
| 1930                                    | Total budgetary resources available        | 18        | 44        | 4 |
| Memorandum (non-add) entries:           |                                            |           |           |   |
| 1941                                    | Unexpired unobligated balance, end of year | 16        | 4         |   |

|                                           |                                                    |    |     |    |
|-------------------------------------------|----------------------------------------------------|----|-----|----|
| <b>Change in obligated balance:</b>       |                                                    |    |     |    |
| Obligated balance, start of year (net):   |                                                    |    |     |    |
| 3000                                      | Unpaid obligations, brought forward, Oct 1 (gross) | 2  | 34  |    |
| 3030                                      | Obligations incurred, unexpired accounts           | 2  | 40  | 4  |
| 3040                                      | Outlays (gross)                                    | -8 | -22 |    |
| Obligated balance, end of year (net):     |                                                    |    |     |    |
| 3090                                      | Unpaid obligations, end of year (gross)            | 2  | 34  | 16 |
| 3100                                      | Obligated balance, end of year (net)               | 2  | 34  | 16 |
| <b>Budget authority and outlays, net:</b> |                                                    |    |     |    |
| Discretionary:                            |                                                    |    |     |    |
| 4000                                      | Budget authority, gross                            |    | 28  |    |
| Outlays, gross:                           |                                                    |    |     |    |
| 4011                                      | Outlays from discretionary balances                | 8  | 22  |    |
| 4180                                      | Budget authority, net (total)                      |    | 28  |    |
| 4190                                      | Outlays, net (total)                               | 8  | 22  |    |

The Emergency Forest Restoration Program (EFRP) provides payments to eligible owners of non-industrial private forest (NIPF) for implementation of emergency measures to restore land damaged by a natural disaster. A total of \$18 million was appropriated by the Supplemental Appropriations Act of 2010, P.L. 111–212 and an additional \$28.4 million was appropriated in 2012 by the Consolidated and Further Continuing Appropriations Act, P.L. 112–55. During 2011, 16 States participated in the EFRP involving an estimated 1,360 acres and approximately \$232,825 in cost-share and technical assistance outlays. The 2013 Budget does not include funding for EFRP.

GRASSROOTS SOURCE WATER PROTECTION PROGRAM

For necessary expenses to carry out wellhead or groundwater protection activities under section 12400 of the Food Security Act of 1985 (16 U.S.C. 3839bb-2), \$3,817,000, to remain available until expended. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)

Program and Financing (in millions of dollars)

| Identification code 12–3304–0–1–302       | 2011 actual                               | 2012 est. | 2013 est. |
|-------------------------------------------|-------------------------------------------|-----------|-----------|
| <b>Obligations by program activity:</b>   |                                           |           |           |
| 0001                                      | Grassroots source water payments          | 4         | 4         |
| 0900                                      | Total new obligations (object class 41.0) | 4         | 4         |
| <b>Budgetary Resources:</b>               |                                           |           |           |
| Budget authority:                         |                                           |           |           |
| Appropriations, discretionary:            |                                           |           |           |
| 1100                                      | Appropriation                             | 4         | 4         |
| 1160                                      | Appropriation, discretionary (total)      | 4         | 4         |
| 1930                                      | Total budgetary resources available       | 4         | 4         |
| <b>Change in obligated balance:</b>       |                                           |           |           |
| 3030                                      | Obligations incurred, unexpired accounts  | 4         | 4         |
| 3040                                      | Outlays (gross)                           | -4        | -4        |
| <b>Budget authority and outlays, net:</b> |                                           |           |           |
| Discretionary:                            |                                           |           |           |
| 4000                                      | Budget authority, gross                   | 4         | 4         |
| Outlays, gross:                           |                                           |           |           |
| 4010                                      | Outlays from new discretionary authority  | 4         | 4         |
| 4180                                      | Budget authority, net (total)             | 4         | 4         |
| 4190                                      | Outlays, net (total)                      | 4         | 4         |

The Grassroots Source Water Protection Program (GSWPP) is a joint project by USDA's Farm Service Agency and the nonprofit National Rural Water Association. It is designed to help prevent source water pollution in States through voluntary practices installed by producers at the local level. GSWPP uses onsite technical assistance capabilities of each State rural water association that operates a wellhead or groundwater protection program in the State. State rural water associations can deliver assistance in developing source water protection plans within priority wa-

GRASSROOTS SOURCE WATER PROTECTION PROGRAM—Continued  
tersheds for the common goal of preventing the contamination of drinking water supplies. The 2008 Farm Bill authorizes this program to continue through 2012. While the 2012 enacted level included \$3.8 million for GSWPP, the 2013 Budget proposes no funding for this program.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed farm ownership (7 U.S.C. 1922 et seq.) and operating (7 U.S.C. 1941 et seq.) loans, *emergency loans (7 U.S.C. 1961 et seq.)*, Indian tribe land acquisition loans (25 U.S.C. 488), boll weevil loans (7 U.S.C. 1989), guaranteed conservation loans (7 U.S.C. 1924 et seq.), [and] Indian highly fractionated land loans (25 U.S.C. 488), and *individual development account grants (7 U.S.C. 1981-2008r)* to be available from funds in the Agricultural Credit Insurance Fund, as follows: *farm ownership loans, \$1,975,000,000, of which \$1,500,000,000 shall be for unsubsidized guaranteed [farm ownership] loans and \$475,000,000 shall be for [farm ownership] direct loans; operating loans, 2,550,089,000, of which \$1,500,000,000 shall be for unsubsidized guaranteed [operating] loans and [\$1,050,090,000] \$1,050,089,000 shall be for direct [operating] loans; emergency loans, \$34,658,000; Indian tribe land acquisition loans, \$2,000,000; guaranteed conservation loans, \$150,000,000; Indian highly fractionated land loans, \$10,000,000; and for boll weevil eradication program loans, [\$100,000,000] \$60,000,000: Provided, That the Secretary shall deem the pink bollworm to be a boll weevil for the purpose of boll weevil eradication program loans.*

For the cost of direct and guaranteed loans and grants, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: *farm ownership, [\$22,800,000] loans, \$20,140,000 for direct loans; [farm] operating loans, [\$26,100,000] \$76,340,000, of which \$17,850,000 shall be for unsubsidized guaranteed [operating] loans, [\$59,120,000] and \$58,490,000 shall be for direct [operating] loans; [and] emergency loans, \$1,317,000, to remain available until expended; Indian highly fractionated land loans, [\$193,000] \$173,000; and for individual development account grants, \$2,500,000.*

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, *[\$297,632,000] \$312,897,000 of which [\$289,728,000] \$304,977,000 shall be [transferred to and merged with] paid to the appropriation for "Farm Service Agency, Salaries and Expenses".*

Funds appropriated by this Act to the Agricultural Credit Insurance Program Account for farm ownership, operating and conservation direct loans and guaranteed loans may be transferred among these programs: *Provided, That the Committees on Appropriations of both Houses of Congress are notified at least 15 days in advance of any transfer.*

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses involved in making indemnity payments to dairy farmers and manufacturers of dairy products under a dairy indemnity program, such sums as may be necessary, to remain available until expended: *Provided, That such program is carried out by the Secretary in the same manner as the dairy indemnity program described in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106-387, 114 Stat. 1549A-12). (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)*

Program and Financing (in millions of dollars)

| Identification code 12-1140-0-1-351                | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>            |             |           |           |
| 0010 Administrative expenses - PLCE .....          | 7           | 8         | 8         |
| 0011 Grants: Individual Development Accounts ..... |             |           | 3         |
| 0091 Direct program activities, subtotal .....     | 7           | 8         | 11        |

|                                                              |     |     |     |
|--------------------------------------------------------------|-----|-----|-----|
| Credit program obligations:                                  |     |     |     |
| 0701 Direct loan subsidy .....                               | 107 | 86  | 80  |
| 0702 Loan guarantee subsidy .....                            | 43  | 26  | 18  |
| 0705 Reestimates of direct loan subsidy .....                | 104 | 135 |     |
| 0706 Interest on reestimates of direct loan subsidy .....    | 26  | 31  |     |
| 0707 Reestimates of loan guarantee subsidy .....             | 25  | 18  |     |
| 0708 Interest on reestimates of loan guarantee subsidy ..... | 17  | 16  |     |
| 0709 Administrative expenses .....                           | 305 | 290 | 305 |
| 0791 Direct program activities, subtotal .....               | 627 | 602 | 403 |
| 0900 Total new obligations .....                             | 634 | 610 | 414 |

Budgetary Resources:

|                                                       |     |     |     |
|-------------------------------------------------------|-----|-----|-----|
| Unobligated balance:                                  |     |     |     |
| 1000 Unobligated balance brought forward, Oct 1 ..... | 8   | 4   |     |
| Budget authority:                                     |     |     |     |
| Appropriations, discretionary:                        |     |     |     |
| 1100 Appropriation .....                              | 461 | 406 | 414 |
| 1130 Appropriations permanently reduced .....         | -1  |     |     |
| 1160 Appropriation, discretionary (total) .....       | 460 | 406 | 414 |
| Appropriations, mandatory:                            |     |     |     |
| 1200 Appropriation .....                              | 171 | 200 |     |
| 1260 Appropriations, mandatory (total) .....          | 171 | 200 |     |
| 1900 Budget authority (total) .....                   | 631 | 606 | 414 |
| 1930 Total budgetary resources available .....        | 639 | 610 | 414 |
| Memorandum (non-add) entries:                         |     |     |     |
| 1940 Unobligated balance expiring .....               | -1  |     |     |
| 1941 Unexpired unobligated balance, end of year ..... | 4   |     |     |

Change in obligated balance:

|                                                                 |      |      |      |
|-----------------------------------------------------------------|------|------|------|
| Obligated balance, start of year (net):                         |      |      |      |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....   | 21   | 97   | 14   |
| 3030 Obligations incurred, unexpired accounts .....             | 634  | 610  | 414  |
| 3040 Outlays (gross) .....                                      | -534 | -693 | -415 |
| 3081 Recoveries of prior year unpaid obligations, expired ..... | -4   |      |      |
| Obligated balance, end of year (net):                           |      |      |      |
| 3090 Unpaid obligations, end of year (gross) .....              | 97   | 14   | 13   |
| 3100 Obligated balance, end of year (net) .....                 | 97   | 14   | 13   |

Budget authority and outlays, net:

|                                                     |     |     |     |
|-----------------------------------------------------|-----|-----|-----|
| Discretionary:                                      |     |     |     |
| 4000 Budget authority, gross .....                  | 460 | 406 | 414 |
| Outlays, gross:                                     |     |     |     |
| 4010 Outlays from new discretionary authority ..... | 364 | 394 | 403 |
| 4011 Outlays from discretionary balances .....      | 19  | 99  | 12  |
| 4020 Outlays, gross (total) .....                   | 383 | 493 | 415 |
| Mandatory:                                          |     |     |     |
| 4090 Budget authority, gross .....                  | 171 | 200 |     |
| Outlays, gross:                                     |     |     |     |
| 4100 Outlays from new mandatory authority .....     | 171 | 200 |     |
| 4180 Budget authority, net (total) .....            | 631 | 606 | 414 |
| 4190 Outlays, net (total) .....                     | 554 | 693 | 415 |

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

| Identification code 12-1140-0-1-351                         | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------|-------------|-----------|-----------|
| Direct loan levels supportable by subsidy budget authority: |             |           |           |
| 115001 Farm Ownership .....                                 | 581         | 475       | 475       |
| 115002 Farm Operating .....                                 | 1,049       | 1,050     | 1,050     |
| 115003 Emergency Disaster .....                             | 33          | 70        | 35        |
| 115004 IndianTribe Land Acquisition .....                   |             | 2         | 2         |
| 115005 Boll Weevil Eradication .....                        |             | 100       | 60        |
| 115010 Indian Highly Fractionated Land .....                |             | 10        | 10        |
| 115011 Conservation - Direct .....                          | 11          |           |           |
| 115999 Total direct loan levels .....                       | 1,674       | 1,707     | 1,632     |
| Direct loan subsidy (in percent):                           |             |           |           |
| 132001 Farm Ownership .....                                 | 6.92        | 4.80      | 4.24      |
| 132002 Farm Operating .....                                 | 6.06        | 5.63      | 5.57      |
| 132003 Emergency Disaster .....                             | 10.49       | 5.01      | 3.80      |
| 132004 IndianTribe Land Acquisition .....                   |             | -13.89    | -14.85    |
| 132005 Boll Weevil Eradication .....                        |             | -2.16     | -2.54     |
| 132010 Indian Highly Fractionated Land .....                |             | 1.93      | 1.73      |
| 132011 Conservation - Direct .....                          | 2.99        |           |           |
| 132999 Weighted average subsidy rate .....                  | 6.43        | 4.87      | 4.80      |
| Direct loan subsidy budget authority:                       |             |           |           |
| 133001 Farm Ownership .....                                 | 40          | 23        | 20        |
| 133002 Farm Operating .....                                 | 64          | 59        | 58        |
| 133003 Emergency Disaster .....                             | 3           | 4         | 1         |
| 133005 Boll Weevil Eradication .....                        |             | -2        | -2        |
| 133999 Total subsidy budget authority .....                 | 107         | 84        | 77        |

|                                                                 |                                                          |       |       |       |
|-----------------------------------------------------------------|----------------------------------------------------------|-------|-------|-------|
| Direct loan subsidy outlays:                                    |                                                          |       |       |       |
| 134001                                                          | Farm Ownership .....                                     | 35    | 31    | 20    |
| 134002                                                          | Farm Operating .....                                     | 63    | 56    | 59    |
| 134003                                                          | Emergency Disaster .....                                 | 3     | 3     | 2     |
| 134005                                                          | Boll Weevil Eradication .....                            |       | -2    | -2    |
| 134999                                                          | Total subsidy outlays .....                              | 101   | 88    | 79    |
| Direct loan upward reestimates:                                 |                                                          |       |       |       |
| 135001                                                          | Farm Ownership .....                                     | 9     | 56    |       |
| 135002                                                          | Farm Operating .....                                     | 88    | 83    |       |
| 135003                                                          | Emergency Disaster .....                                 | 13    | 15    |       |
| 135005                                                          | Boll Weevil Eradication .....                            | 17    | 1     |       |
| 135008                                                          | Credit Sales of Acquired Property .....                  | 3     | 2     |       |
| 135011                                                          | Conservation - Direct .....                              |       | 1     |       |
| 135012                                                          | Farm Operating - ARRA .....                              |       | 7     |       |
| 135999                                                          | Total upward reestimate budget authority .....           | 130   | 165   |       |
| Direct loan downward reestimates:                               |                                                          |       |       |       |
| 137001                                                          | Farm Ownership .....                                     | -211  | -28   |       |
| 137002                                                          | Farm Operating .....                                     | -96   | -33   |       |
| 137003                                                          | Emergency Disaster .....                                 | -20   | -17   |       |
| 137005                                                          | Boll Weevil Eradication .....                            | -1    | -7    |       |
| 137008                                                          | Credit Sales of Acquired Property .....                  | -2    | -3    |       |
| 137012                                                          | Farm Operating - ARRA .....                              | -11   |       |       |
| 137999                                                          | Total downward reestimate budget authority .....         | -341  | -88   |       |
| Guaranteed loan levels supportable by subsidy budget authority: |                                                          |       |       |       |
| 215001                                                          | Farm Ownership—Unsubsidized .....                        | 1,906 | 1,500 | 1,500 |
| 215002                                                          | Farm Operating—Unsubsidized .....                        | 1,173 | 1,500 | 1,500 |
| 215003                                                          | Farm Operating—Subsidized .....                          | 63    |       |       |
| 215005                                                          | Conservation - Guaranteed .....                          | 1     | 150   | 150   |
| 215999                                                          | Total loan guarantee levels .....                        | 3,143 | 3,150 | 3,150 |
| Guaranteed loan subsidy (in percent):                           |                                                          |       |       |       |
| 232001                                                          | Farm Ownership—Unsubsidized .....                        | 0.38  | -0.01 | -0.07 |
| 232002                                                          | Farm Operating—Unsubsidized .....                        | 2.33  | 1.74  | 1.19  |
| 232003                                                          | Farm Operating—Subsidized .....                          | 13.83 |       |       |
| 232005                                                          | Conservation - Guaranteed .....                          | 0.38  | -0.01 | -0.28 |
| 232999                                                          | Weighted average subsidy rate .....                      | 1.38  | 0.82  | 0.52  |
| Guaranteed loan subsidy budget authority:                       |                                                          |       |       |       |
| 233001                                                          | Farm Ownership—Unsubsidized .....                        | 7     |       | -1    |
| 233002                                                          | Farm Operating—Unsubsidized .....                        | 27    | 26    | 18    |
| 233003                                                          | Farm Operating—Subsidized .....                          | 9     |       |       |
| 233999                                                          | Total subsidy budget authority .....                     | 43    | 26    | 17    |
| Guaranteed loan subsidy outlays:                                |                                                          |       |       |       |
| 234001                                                          | Farm Ownership—Unsubsidized .....                        | 7     |       | -1    |
| 234002                                                          | Farm Operating—Unsubsidized .....                        | 27    | 26    | 18    |
| 234003                                                          | Farm Operating—Subsidized .....                          | 9     |       |       |
| 234999                                                          | Total subsidy outlays .....                              | 43    | 26    | 17    |
| Guaranteed loan upward reestimates:                             |                                                          |       |       |       |
| 235001                                                          | Farm Ownership—Unsubsidized .....                        | 14    | 10    |       |
| 235002                                                          | Farm Operating—Unsubsidized .....                        | 19    | 15    |       |
| 235003                                                          | Farm Operating—Subsidized .....                          | 9     | 8     |       |
| 235999                                                          | Total upward reestimate budget authority .....           | 42    | 33    |       |
| Guaranteed loan downward reestimates:                           |                                                          |       |       |       |
| 237001                                                          | Farm Ownership—Unsubsidized .....                        | -16   | -16   |       |
| 237002                                                          | Farm Operating—Unsubsidized .....                        | -73   | -76   |       |
| 237003                                                          | Farm Operating—Subsidized .....                          | -27   | -28   |       |
| 237999                                                          | Total downward reestimate subsidy budget authority ..... | -116  | -120  |       |
| Administrative expense data:                                    |                                                          |       |       |       |
| 3510                                                            | Budget authority .....                                   | 313   | 298   | 313   |
| 3590                                                            | Outlays from new authority .....                         | 233   | 298   | 313   |

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

This program account includes subsidies to provide direct and guaranteed loans for farm ownership, farm operating, conservation, and emergency loans to individuals. This account also includes funding for individual development account grants. Indian tribes and tribal corporations are eligible for Indian land acquisition loans, while individual Native Americans are eligible for loans for the purchase of highly fractionated Indian lands. Boll weevil eradication loans are available to eliminate the cotton boll weevil pest from infested areas. The 2013 Budget does not provide funding for guaranteed subsidized farm operating loans or direct conservation loans. The 2012 enacted level provided \$108.2 million for loan subsidies, and the 2013 Budget requests \$100.5

million for loan subsidies and grants, which is a decrease of \$7.7 million. However, the 2013 Budget provides funding for similar loan levels to those provided in 2012, except for a decrease of \$40 million in loan level for boll weevil eradication loans due to lower demand for the program as a result of recent progress made in actual eradication efforts. The 2013 Budget also provides an increase in loan level of \$34.7 million for Emergency Loans, which have been funded through the use of carryover funds for the past several years.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the direct loans obligated and loan guarantees committed in 1992 and beyond (including credit sales of acquired property), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis. For administrative costs, the 2012 enacted level provided \$297.6 million, and the 2013 Budget requests \$312.9 million, which is an increase of \$15.3 million.

Under the Dairy Indemnity Program, payments are made to farmers and manufacturers of dairy products who are directed to remove their milk or milk products from commercial markets because they contain residues of chemicals that have been registered and approved by the Federal Government, other chemicals, nuclear radiation, or nuclear fallout. Indemnification may also be paid for cows producing such milk. In 2011, \$384,000 was paid to producers who filed claims under the program and the 2013 Budget requests such sums as may be necessary, which are estimated to be \$100,000 for this program.

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

| Identification code 12-1140-0-1-351                      | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                      |             |           |           |
| 25.3 Other goods and services from Federal sources ..... | 312         | 298       | 313       |
| 41.0 Grants, subsidies, and contributions .....          | 322         | 312       | 101       |
| 99.9 Total new obligations .....                         | 634         | 610       | 414       |

**AGRICULTURAL CREDIT INSURANCE FUND DIRECT LOAN FINANCING ACCOUNT**

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

| Identification code 12-4212-0-3-351                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                         |             |           |           |
| 0003 Capitalized costs .....                                    | 8           | 7         | 7         |
| 0004 Advances on behalf of borrowers .....                      | 1           |           |           |
| 0005 Civil rights settlements .....                             |             | 3         | 3         |
| 0091 Direct program by activities - subtotal (1 level) .....    | 9           | 10        | 10        |
| Credit program obligations:                                     |             |           |           |
| 0710 Direct loan obligations .....                              | 1,674       | 1,707     | 1,632     |
| 0713 Payment of interest to Treasury .....                      | 351         | 250       | 250       |
| 0740 Negative subsidy obligations .....                         |             | 2         | 2         |
| 0742 Downward reestimate paid to receipt account .....          | 252         | 42        |           |
| 0743 Interest on downward reestimates .....                     | 88          | 47        |           |
| 0791 Direct program activities, subtotal .....                  | 2,365       | 2,048     | 1,884     |
| 0900 Total new obligations .....                                | 2,374       | 2,058     | 1,894     |
| <b>Budgetary Resources:</b>                                     |             |           |           |
| Unobligated balance:                                            |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....           | 3,011       | 855       | 790       |
| 1021 Recoveries of prior year unpaid obligations .....          | 65          |           |           |
| 1023 Unobligated balances applied to repay debt .....           | -2,998      | -850      | -780      |
| 1024 Unobligated balance of borrowing authority withdrawn ..... | -60         |           |           |
| 1050 Unobligated balance (total) .....                          | 18          | 5         | 10        |
| Financing authority:                                            |             |           |           |
| Borrowing authority, mandatory:                                 |             |           |           |
| 1400 Borrowing authority .....                                  | 1,652       | 1,892     | 1,822     |

AGRICULTURAL CREDIT INSURANCE FUND DIRECT LOAN FINANCING  
ACCOUNT—Continued

Program and Financing—Continued

| Identification code 12-4212-0-3-351                                             | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------------|-------------|-----------|-----------|
| 1440 Borrowing authority, mandatory (total) .....                               | 1,652       | 1,892     | 1,822     |
| Spending authority from offsetting collections, mandatory:                      |             |           |           |
| 1800 Collected .....                                                            | 1,740       | 1,723     | 1,550     |
| 1801 Change in uncollected payments, Federal sources .....                      | 2           |           |           |
| 1825 Spending authority from offsetting collections applied to repay debt ..... | -183        | -772      | -667      |
| 1850 Spending auth from offsetting collections, mand (total) .....              | 1,559       | 951       | 883       |
| 1900 Financing authority (total) .....                                          | 3,211       | 2,843     | 2,705     |
| 1930 Total budgetary resources available .....                                  | 3,229       | 2,848     | 2,715     |
| Memorandum (non-add) entries:                                                   |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                           | 855         | 790       | 821       |
| <b>Change in obligated balance:</b>                                             |             |           |           |
| Obligated balance, start of year (net):                                         |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....                   | 408         | 338       | 326       |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....               | -19         | -21       | -21       |
| 3020 Obligated balance, start of year (net) .....                               | 389         | 317       | 305       |
| 3030 Obligations incurred, unexpired accounts .....                             | 2,374       | 2,058     | 1,894     |
| 3040 Financing disbursements (gross) .....                                      | -2,379      | -2,070    | -1,901    |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....                  | -2          |           |           |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....               | -65         |           |           |
| Obligated balance, end of year (net):                                           |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                              | 338         | 326       | 319       |
| 3091 Uncollected pymts, Fed sources, end of year .....                          | -21         | -21       | -21       |
| 3100 Obligated balance, end of year (net) .....                                 | 317         | 305       | 298       |

Financing authority and disbursements, net:

|                                                                           |        |        |        |
|---------------------------------------------------------------------------|--------|--------|--------|
| Mandatory:                                                                |        |        |        |
| 4090 Financing authority, gross .....                                     | 3,211  | 2,843  | 2,705  |
| Financing disbursements:                                                  |        |        |        |
| 4110 Financing disbursements, gross .....                                 | 2,379  | 2,070  | 1,901  |
| Offsets against gross financing authority and disbursements:              |        |        |        |
| Offsetting collections (collected) from:                                  |        |        |        |
| 4120 Federal Sources: Reestimate payment from program account .....       | -130   | -165   |        |
| 4120 Federal Sources: Subsidy payment from program account .....          | -101   | -90    | -81    |
| 4122 Federal Sources: Interest on uninvested funds .....                  | -103   | -136   | -136   |
| 4123 Repayments of principal .....                                        | -1,183 | -1,032 | -1,009 |
| 4123 Repayments of interest .....                                         | -219   | -300   | -324   |
| 4123 Non-Federal sources-Other .....                                      | -4     |        |        |
| 4130 Offsets against gross financing auth and disbursements (total) ..... | -1,740 | -1,723 | -1,550 |
| Additional offsets against financing authority only (total):              |        |        |        |
| 4140 Change in uncollected pymts, Fed sources, unexpired .....            | -2     |        |        |
| 4160 Financing authority, net (mandatory) .....                           | 1,469  | 1,120  | 1,155  |
| 4170 Financing disbursements, net (mandatory) .....                       | 639    | 347    | 351    |
| 4180 Financing authority, net (total) .....                               | 1,469  | 1,120  | 1,155  |
| 4190 Financing disbursements, net (total) .....                           | 639    | 347    | 351    |

Status of Direct Loans (in millions of dollars)

| Identification code 12-4212-0-3-351                                    | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|-------------|-----------|-----------|
| Position with respect to appropriations act limitation on obligations: |             |           |           |
| 1111 Limitation on direct loans .....                                  | 1,677       | 1,637     | 1,632     |
| 1121 Limitation available from carry-forward .....                     | 67          | 70        |           |
| 1143 Unobligated limitation carried forward (P.L. 106-113) (-) .....   | -70         |           |           |
| 1150 Total direct loan obligations .....                               | 1,674       | 1,707     | 1,632     |
| Cumulative balance of direct loans outstanding:                        |             |           |           |
| 1210 Outstanding, start of year .....                                  | 6,512       | 6,984     | 7,600     |
| 1231 Disbursements: Direct loan disbursements .....                    | 1,686       | 1,719     | 1,632     |
| 1251 Repayments: Repayments and prepayments .....                      | -1,183      | -1,032    | -1,009    |
| 1261 Adjustments: Capitalized interest .....                           | 6           |           |           |
| 1263 Write-offs for default: Direct loans .....                        | -37         | -71       | -50       |
| 1290 Outstanding, end of year .....                                    | 6,984       | 7,600     | 8,173     |

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including credit sales of acquired property that resulted from

obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

This account finances direct loans for farm ownership, farm operating, emergency disaster, Indian land acquisition, Indian highly fractionated land, boll weevil eradication, conservation, and credit sales of acquired property.

Balance Sheet (in millions of dollars)

| Identification code 12-4212-0-3-351                               | 2010 actual | 2011 actual |
|-------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                    |             |             |
| Federal assets:                                                   |             |             |
| 1101 Fund balances with Treasury .....                            | 3,015       | 856         |
| Investments in US securities:                                     |             |             |
| 1106 Receivables, net .....                                       | 131         | 166         |
| Net value of assets related to post-1991 direct loans receivable: |             |             |
| 1401 Direct loans receivable, gross .....                         | 6,512       | 6,984       |
| 1402 Interest receivable .....                                    | 218         | 223         |
| 1403 Accounts receivable from foreclosed property .....           | 7           | 9           |
| 1405 Allowance for subsidy cost (-) .....                         | -308        | -434        |
| 1405 Allowance for Interest Receivable (-) .....                  | -77         | -78         |
| 1499 Net present value of assets related to direct loans .....    | 6,352       | 6,704       |
| 1999 Total assets .....                                           | 9,498       | 7,726       |
| <b>LIABILITIES:</b>                                               |             |             |
| 2104 Federal liabilities: Resources payable to Treasury .....     | 9,156       | 7,635       |
| 2207 Non-Federal liabilities: Other .....                         | 342         | 91          |
| 2999 Total liabilities .....                                      | 9,498       | 7,726       |
| 4999 Total liabilities and net position .....                     | 9,498       | 7,726       |

AGRICULTURAL CREDIT INSURANCE FUND GUARANTEED LOAN FINANCING  
ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4213-0-3-351                          | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                      |             |           |           |
| 0003 Purchase of guaranteed loans .....                      |             | 4         | 4         |
| 0004 Interest assistance .....                               | 13          | 19        | 11        |
| 0091 Direct program by activities - subtotal (1 level) ..... | 13          | 23        | 15        |
| Credit program obligations:                                  |             |           |           |
| 0711 Default claim payments on principal .....               | 53          | 61        | 52        |
| 0712 Default claim payments on interest .....                |             | 1         | 1         |
| 0713 Payment of interest to Treasury .....                   | 1           | 3         | 2         |
| 0740 Negative subsidy obligations .....                      |             |           | 1         |
| 0742 Downward reestimate paid to receipt account .....       | 83          | 93        |           |
| 0743 Interest on downward reestimates .....                  | 33          | 26        |           |
| 0791 Direct program activities, subtotal .....               | 170         | 184       | 56        |
| 0900 Total new obligations .....                             | 183         | 207       | 71        |

Budgetary Resources:

|                                                                    |     |     |     |
|--------------------------------------------------------------------|-----|-----|-----|
| Unobligated balance:                                               |     |     |     |
| 1000 Unobligated balance brought forward, Oct 1 .....              | 234 | 198 | 142 |
| 1021 Recoveries of prior year unpaid obligations .....             | 26  | 40  | 40  |
| 1023 Unobligated balances applied to repay debt .....              | -9  | -1  | -1  |
| 1050 Unobligated balance (total) .....                             | 251 | 237 | 181 |
| Financing authority:                                               |     |     |     |
| Borrowing authority, mandatory:                                    |     |     |     |
| 1400 Borrowing authority .....                                     | 7   | 1   | 1   |
| 1440 Borrowing authority, mandatory (total) .....                  | 7   | 1   | 1   |
| Spending authority from offsetting collections, mandatory:         |     |     |     |
| 1800 Collected .....                                               | 123 | 111 | 70  |
| 1850 Spending auth from offsetting collections, mand (total) ..... | 123 | 111 | 70  |
| 1900 Financing authority (total) .....                             | 130 | 112 | 71  |
| 1930 Total budgetary resources available .....                     | 381 | 349 | 252 |
| Memorandum (non-add) entries:                                      |     |     |     |
| 1941 Unexpired unobligated balance, end of year .....              | 198 | 142 | 181 |

Change in obligated balance:

|                                                               |      |      |     |
|---------------------------------------------------------------|------|------|-----|
| Obligated balance, start of year (net):                       |      |      |     |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) ..... | 133  | 98   | 56  |
| 3030 Obligations incurred, unexpired accounts .....           | 183  | 207  | 71  |
| 3040 Financing disbursements (gross) .....                    | -192 | -209 | -71 |

|                                                              |                                                                      |      |      |     |
|--------------------------------------------------------------|----------------------------------------------------------------------|------|------|-----|
| 3080                                                         | Recoveries of prior year unpaid obligations, unexpired .....         | -26  | -40  | -40 |
|                                                              | Obligated balance, end of year (net):                                |      |      |     |
| 3090                                                         | Unpaid obligations, end of year (gross) .....                        | 98   | 56   | 16  |
| 3100                                                         | Obligated balance, end of year (net) .....                           | 98   | 56   | 16  |
| <b>Financing authority and disbursements, net:</b>           |                                                                      |      |      |     |
| Mandatory:                                                   |                                                                      |      |      |     |
| 4090                                                         | Financing authority, gross .....                                     | 130  | 112  | 71  |
| Financing disbursements:                                     |                                                                      |      |      |     |
| 4110                                                         | Financing disbursements, gross .....                                 | 192  | 209  | 71  |
| Offsets against gross financing authority and disbursements: |                                                                      |      |      |     |
| Offsetting collections (collected) from:                     |                                                                      |      |      |     |
| 4120                                                         | Payments from program account upward reestimate .....                | -42  | -33  |     |
| 4120                                                         | Payments from program account subsidy .....                          | -43  | -26  | -18 |
| 4122                                                         | Interest on uninvested funds .....                                   | -8   | -12  | -12 |
| 4123                                                         | Fees and premiums .....                                              | -26  | -38  | -38 |
| 4123                                                         | Loss recoveries and repayments .....                                 | -3   | -1   | -1  |
| 4123                                                         | Miscellaneous .....                                                  | -1   | -1   | -1  |
| 4130                                                         | Offsets against gross financing auth and disbursements (total) ..... | -123 | -111 | -70 |
| 4160                                                         | Financing authority, net (mandatory) .....                           | 7    | 1    | 1   |
| 4170                                                         | Financing disbursements, net (mandatory) .....                       | 69   | 98   | 1   |
| 4180                                                         | Financing authority, net (total) .....                               | 7    | 1    | 1   |
| 4190                                                         | Financing disbursements, net (total) .....                           | 69   | 98   | 1   |

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

| Identification code 12-4213-0-3-351                                               | 2011 actual                                                          | 2012 est. | 2013 est. |        |
|-----------------------------------------------------------------------------------|----------------------------------------------------------------------|-----------|-----------|--------|
| Position with respect to appropriations act limitation on commitments:            |                                                                      |           |           |        |
| 2111                                                                              | Limitation on guaranteed loans made by private lenders .....         | 3,143     | 3,150     | 3,150  |
| 2150                                                                              | Total guaranteed loan commitments .....                              | 3,143     | 3,150     | 3,150  |
| 2199                                                                              | Guaranteed amount of guaranteed loan commitments .....               | 2,754     | 2,897     | 2,897  |
| Cumulative balance of guaranteed loans outstanding:                               |                                                                      |           |           |        |
| 2210                                                                              | Outstanding, start of year .....                                     | 11,771    | 12,483    | 13,284 |
| 2231                                                                              | Disbursements of new guaranteed loans .....                          | 3,060     | 3,097     | 3,097  |
| 2251                                                                              | Repayments and prepayments .....                                     | -2,271    | -2,218    | -2,218 |
| Adjustments:                                                                      |                                                                      |           |           |        |
| 2261                                                                              | Terminations for default that result in loans receivable .....       | -75       | -65       | -65    |
| 2263                                                                              | Terminations for default that result in claim payments .....         | -2        | -13       | -13    |
| 2290                                                                              | Outstanding, end of year .....                                       | 12,483    | 13,284    | 14,085 |
| Memorandum:                                                                       |                                                                      |           |           |        |
| 2299                                                                              | Guaranteed amount of guaranteed loans outstanding, end of year ..... | 11,230    | 9,925     | 9,925  |
| Addendum:                                                                         |                                                                      |           |           |        |
| Cumulative balance of defaulted guaranteed loans that result in loans receivable: |                                                                      |           |           |        |
| 2310                                                                              | Outstanding, start of year .....                                     | 85        | 115       | 128    |
| 2331                                                                              | Disbursements for guaranteed loan claims .....                       | 44        | 24        | 24     |
| 2351                                                                              | Repayments of loans receivable .....                                 | -1        | -1        | -1     |
| 2361                                                                              | Write-offs of loans receivable .....                                 | -13       | -10       | -10    |
| 2390                                                                              | Outstanding, end of year .....                                       | 115       | 128       | 141    |

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

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

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

| Identification code 12-4213-0-3-351                                                      | 2010 actual                                                             | 2011 actual |      |
|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-------------|------|
| <b>ASSETS:</b>                                                                           |                                                                         |             |      |
| 1101                                                                                     | Federal assets: Fund balances with Treasury .....                       | 367         | 296  |
| 1206                                                                                     | Non-Federal assets: Receivables, net .....                              | 42          | 36   |
| Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable: |                                                                         |             |      |
| 1501                                                                                     | Defaulted guaranteed loans receivable, gross .....                      | 85          | 115  |
| 1505                                                                                     | Allowance for subsidy cost (-) .....                                    | -83         | -113 |
| 1599                                                                                     | Net present value of assets related to defaulted guaranteed loans ..... | 2           | 2    |
| 1999                                                                                     | Total assets .....                                                      | 411         | 334  |

|                      |                                                                |     |     |
|----------------------|----------------------------------------------------------------|-----|-----|
| <b>LIABILITIES:</b>  |                                                                |     |     |
| Federal liabilities: |                                                                |     |     |
| 2104                 | Resources payable to Treasury .....                            | 13  | 11  |
| 2105                 | Other .....                                                    | 115 | 114 |
| 2204                 | Non-Federal liabilities: Liabilities for loan guarantees ..... | 283 | 209 |
| 2999                 | Total liabilities .....                                        | 411 | 334 |
| 4999                 | Total liabilities and net position .....                       | 411 | 334 |

**AGRICULTURAL CREDIT INSURANCE FUND LIQUIDATING ACCOUNT**

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

| Identification code 12-4140-0-3-351     | 2011 actual                                                | 2012 est. | 2013 est. |    |
|-----------------------------------------|------------------------------------------------------------|-----------|-----------|----|
| <b>Obligations by program activity:</b> |                                                            |           |           |    |
| 0008                                    | Loan recoverable costs .....                               | 1         | 4         | 4  |
| 0108                                    | Administrative expenses - Department of Justice fees ..... |           | 1         | 1  |
| 0109                                    | Costs incidental to acquisition of real property .....     | 2         | 2         | 2  |
| 0118                                    | Civil rights settlements .....                             | 6         | 10        | 10 |
| 0191                                    | Total operating expenses .....                             | 8         | 13        | 13 |
| 0900                                    | Total new obligations (object class 25.2) .....            | 9         | 17        | 17 |

**Budgetary Resources:**

|                                                            |                                                                                          |      |      |      |
|------------------------------------------------------------|------------------------------------------------------------------------------------------|------|------|------|
| Unobligated balance:                                       |                                                                                          |      |      |      |
| 1000                                                       | Unobligated balance brought forward, Oct 1 .....                                         | 23   | 38   |      |
| 1022                                                       | Capital transfer of unobligated balances to general fund .....                           | -23  | -38  |      |
| Budget authority:                                          |                                                                                          |      |      |      |
| Spending authority from offsetting collections, mandatory: |                                                                                          |      |      |      |
| 1800                                                       | Collected .....                                                                          | 247  | 180  | 180  |
| 1820                                                       | Capital transfer of spending authority from offsetting collections to general fund ..... | -200 | -163 | -163 |
| 1850                                                       | Spending auth from offsetting collections, mand (total) .....                            | 47   | 17   | 17   |
| 1930                                                       | Total budgetary resources available .....                                                | 47   | 17   | 17   |
| Memorandum (non-add) entries:                              |                                                                                          |      |      |      |
| 1941                                                       | Unexpired unobligated balance, end of year .....                                         | 38   |      |      |

**Change in obligated balance:**

|                                         |                                                          |    |     |     |
|-----------------------------------------|----------------------------------------------------------|----|-----|-----|
| Obligated balance, start of year (net): |                                                          |    |     |     |
| 3000                                    | Unpaid obligations, brought forward, Oct 1 (gross) ..... |    | 2   | 4   |
| 3030                                    | Obligations incurred, unexpired accounts .....           | 9  | 17  | 17  |
| 3040                                    | Outlays (gross) .....                                    | -7 | -15 | -17 |
| Obligated balance, end of year (net):   |                                                          |    |     |     |
| 3090                                    | Unpaid obligations, end of year (gross) .....            | 2  | 4   | 4   |
| 3100                                    | Obligated balance, end of year (net) .....               | 2  | 4   | 4   |

**Budget authority and outlays, net:**

|                                                     |                                                                  |      |      |      |
|-----------------------------------------------------|------------------------------------------------------------------|------|------|------|
| Mandatory:                                          |                                                                  |      |      |      |
| 4090                                                | Budget authority, gross .....                                    | 47   | 17   | 17   |
| Outlays, gross:                                     |                                                                  |      |      |      |
| 4100                                                | Outlays from new mandatory authority .....                       | 7    | 13   | 13   |
| 4101                                                | Outlays from mandatory balances .....                            |      | 2    | 4    |
| 4110                                                | Outlays, gross (total) .....                                     | 7    | 15   | 17   |
| Offsets against gross budget authority and outlays: |                                                                  |      |      |      |
| Offsetting collections (collected) from:            |                                                                  |      |      |      |
| 4123                                                | Non-Federal sources Principal Repayments .....                   | -181 | -125 | -125 |
| 4123                                                | Non-Federal sources Interest Repayments .....                    | -58  | -50  | -50  |
| 4123                                                | Non-Federal sources Miscellaneous .....                          | -8   | -5   | -5   |
| 4130                                                | Offsets against gross budget authority and outlays (total) ..... | -247 | -180 | -180 |
| 4160                                                | Budget authority, net (mandatory) .....                          | -200 | -163 | -163 |
| 4170                                                | Outlays, net (mandatory) .....                                   | -240 | -165 | -163 |
| 4180                                                | Budget authority, net (total) .....                              | -200 | -163 | -163 |
| 4190                                                | Outlays, net (total) .....                                       | -240 | -165 | -163 |

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

| Identification code 12-4140-0-3-351             | 2011 actual                                  | 2012 est. | 2013 est. |      |
|-------------------------------------------------|----------------------------------------------|-----------|-----------|------|
| Cumulative balance of direct loans outstanding: |                                              |           |           |      |
| 1210                                            | Outstanding, start of year .....             | 1,040     | 855       | 727  |
| 1251                                            | Repayments: Repayments and prepayments ..... | -183      | -125      | -125 |
| 1261                                            | Adjustments: Capitalized interest .....      | 3         | 3         | 3    |
| 1263                                            | Write-offs for default: Direct loans .....   | -5        | -6        | -6   |
| 1290                                            | Outstanding, end of year .....               | 855       | 727       | 599  |

AGRICULTURAL CREDIT INSURANCE FUND LIQUIDATING ACCOUNT—Continued  
Status of Guaranteed Loans (in millions of dollars)

| Identification code 12-4140-0-3-351                                       | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------|-------------|-----------|-----------|
| Cumulative balance of guaranteed loans outstanding:                       |             |           |           |
| 2210 Outstanding, start of year .....                                     | 23          | 17        | 11        |
| 2251 Repayments and prepayments .....                                     | -6          | -6        | -6        |
| 2290 Outstanding, end of year .....                                       | 17          | 11        | 5         |
| Memorandum:                                                               |             |           |           |
| 2299 Guaranteed amount of guaranteed loans outstanding, end of year ..... | 15          | 10        | 4         |

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

Balance Sheet (in millions of dollars)

| Identification code 12-4140-0-3-351                                     | 2010 actual | 2011 actual |
|-------------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                          |             |             |
| 1101 Federal assets: Fund balances with Treasury .....                  | 23          | 40          |
| 1601 Loans Receivable .....                                             | 1,040       | 855         |
| 1602 Interest receivable .....                                          | 208         | 189         |
| 1603 Allowance for estimated uncollectible loans and interest (-) ..... | -246        | -182        |
| 1604 Direct loans and interest receivable, net .....                    | 1,002       | 862         |
| 1606 Foreclosed property .....                                          | 11          | 13          |
| 1699 Value of assets related to direct loans .....                      | 1,013       | 875         |
| 1999 Total assets .....                                                 | 1,036       | 915         |
| <b>LIABILITIES:</b>                                                     |             |             |
| 2104 Federal liabilities: Resources payable to Treasury .....           | 1,036       | 913         |
| 2201 Non-Federal liabilities: Accounts payable .....                    |             | 2           |
| 2999 Total liabilities .....                                            | 1,036       | 915         |
| 4999 Total liabilities and net position .....                           | 1,036       | 915         |

COMMODITY CREDIT CORPORATION FUND  
REIMBURSEMENT FOR NET REALIZED LOSSES  
(INCLUDING TRANSFERS OF FUNDS)

For the current fiscal year, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed, pursuant to section 2 of the Act of August 17, 1961 (15 U.S.C. 713a-11): *Provided*, That of the funds available to the Commodity Credit Corporation under section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i) for the conduct of its business with the Foreign Agricultural Service, up to \$5,000,000 may be transferred to and used by the Foreign Agricultural Service for information resource management activities of the Foreign Agricultural Service that are not related to Commodity Credit Corporation business.

HAZARDOUS WASTE MANAGEMENT  
(LIMITATION ON EXPENSES)

For the current fiscal year, the Commodity Credit Corporation shall not expend more than \$5,000,000 for site investigation and cleanup expenses, and operations and maintenance expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9607(g)), and section 6001 of the Resource Conservation and Recovery Act (42 U.S.C. 6961). (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-4336-0-3-999                                       | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                   |             |           |           |
| 0001 Commodity purchases and related inventory transactions .....         | 985         | 950       | 889       |
| 0002 Storage, transportation and other obligations .....                  | 38          | 36        | 29        |
| 0003 Dairy export incentive program .....                                 |             |           | 3         |
| 0004 Market access program .....                                          | 200         | 200       | 200       |
| 0005 Technical Assistance for speciality crops .....                      | 9           | 9         |           |
| 0006 Emerging markets program .....                                       | 10          | 10        |           |
| 0007 Foreign market development cooperative .....                         | 35          | 35        |           |
| 0008 Quality samples program .....                                        | 2           | 2         | 2         |
| 0009 Pilot program for regional food aid .....                            | 25          | 5         |           |
| 0010 Feed grains .....                                                    | 2,440       | 1,787     | 2,249     |
| 0011 Wheat .....                                                          | 1,357       | 879       | 1,073     |
| 0012 Rice .....                                                           | 417         | 331       | 417       |
| 0013 Cotton .....                                                         | 716         | 545       | 646       |
| 0014 Dairy program .....                                                  | 1           | 180       | 10        |
| 0015 Tobacco program .....                                                | 953         | 960       | 960       |
| 0016 Peanut program .....                                                 | 106         | 66        | 68        |
| 0017 Wool and Mohair program .....                                        | 3           | 2         | 5         |
| 0018 Other Payment Activity .....                                         | 839         |           |           |
| 0023 Non-Insured assistance program .....                                 | 71          | 109       | 115       |
| 0024 Oilseeds payment program .....                                       | 557         | 450       | 566       |
| 0025 Marketing loan writeoffs .....                                       | 1           |           |           |
| 0027 Technical Assistance for Brazilian Cotton Industry .....             | 147         | 147       |           |
| 0028 Biomass Crop Assistance Program .....                                | 77          | 17        |           |
| 0036 Conservation reserve program (CRP) .....                             | 1,795       | 1,942     | 2,079     |
| 0037 Emergency Forestry Conservation Reserve Program .....                | 6           | 7         | 6         |
| 0038 Voluntary Public Access & Habitat Incentives .....                   | 18          |           |           |
| 0047 Reimbursable agreement/transfers to State and Federal Agencies ..... | 53          | 45        | 45        |
| 0048 Treasury .....                                                       | 6           | 9         | 43        |
| 0049 Other interest .....                                                 | 1           | 2         | 2         |
| 0052 Conservation Reserve Program Technical assistance .....              | 144         | 127       | 123       |
| 0055 Asparagus assistance .....                                           | 15          |           |           |
| 0056 Pigford Claims .....                                                 | 3           | 20        | 77        |
| 0057 BEHT Non-Commodity Costs .....                                       |             | 140       | 140       |
| 0058 Section 416b/FFP/ocean transportation .....                          | 51          | 59        | 55        |
| 0192 Total support and related programs .....                             | 11,081      | 9,071     | 9,802     |
| 0799 Total direct obligations .....                                       | 11,081      | 9,071     | 9,802     |
| 0801 Commodity loans .....                                                | 7,103       | 7,332     | 7,873     |
| 0802 Commodities procured - PL480 Titles II / III Commodity costs ....    | 965         | 874       | 750       |
| 0804 P. L. 480 ocean transportation .....                                 | 1,081       | 877       | 750       |
| 0809 Reimbursable program activities, subtotal .....                      | 9,149       | 9,083     | 9,373     |
| 0899 Total reimbursable obligations .....                                 | 9,149       | 9,083     | 9,373     |
| 0900 Total new obligations .....                                          | 20,230      | 18,154    | 19,175    |
| <b>Budgetary Resources:</b>                                               |             |           |           |
| Unobligated balance:                                                      |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                     | 1,625       | 1,600     | 1,600     |
| 1021 Recoveries of prior year unpaid obligations .....                    | 586         |           |           |
| 1023 Unobligated balances applied to repay debt .....                     | -27         |           |           |
| 1050 Unobligated balance (total) .....                                    | 2,184       | 1,600     | 1,600     |
| Budget authority:                                                         |             |           |           |
| Appropriations, discretionary:                                            |             |           |           |
| 1100 Appropriation .....                                                  |             |           | 5         |
| 1160 Appropriation, discretionary (total) .....                           |             |           | 5         |
| Appropriations, mandatory:                                                |             |           |           |
| 1200 Appropriation .....                                                  | 15,089      | 9,527     | 11,019    |
| 1220 Transferred to other accounts [12-2500] .....                        | -10         | -10       |           |
| 1220 Transferred to other accounts [12-1003] .....                        | -30         | -40       |           |
| 1220 Transferred to other accounts [12-3507] .....                        | -21         | -21       | -21       |
| 1220 Transferred to other accounts [12-1004] .....                        | -3,127      | -3,463    | -3,549    |
| 1220 Transferred to other accounts [12-0123] .....                        | -1          | -1        |           |
| 1220 Transferred to other accounts [12-8015] .....                        | -2          | -2        | -2        |
| 1220 Transferred to other accounts [12-1502] .....                        | -70         | -70       |           |
| 1220 Transferred to other accounts [12-2501] .....                        | -55         | -55       |           |
| 1220 Transferred to other accounts [12-4085] .....                        | -6          | -6        | -4        |
| 1220 Transferred to other accounts [12-2073] .....                        | -85         | -105      |           |
| 1220 Transferred to other accounts [12-1908] .....                        | -70         | -70       |           |
| 1220 Transferred to other accounts [12-1955] .....                        | -4          | -3        |           |
| 1220 Transferred to other accounts [12-1600] .....                        | -65         | -55       | -50       |
| 1220 Transferred to other accounts [12-9915] .....                        | -22         | -22       |           |
| 1220 Transferred to other accounts [12-0502] .....                        | -19         | -19       |           |
| 1220 Appropriations transferred to other accts [12-1002] .....            |             |           | -165      |
| 1236 Appropriations applied to repay debt .....                           | -11,502     | -5,585    | -7,228    |
| Borrowing authority, mandatory:                                           |             |           |           |
| 1400 Borrowing authority .....                                            | 22,206      | 7,768     | 8,159     |
| 1421 Borrowing authority applied to repay debt .....                      | -11,027     |           |           |
| 1440 Borrowing authority, mandatory (total) .....                         | 11,179      | 7,768     | 8,159     |



|                                                            |                                                                            |         |         |         |
|------------------------------------------------------------|----------------------------------------------------------------------------|---------|---------|---------|
| Spending authority from offsetting collections, mandatory: |                                                                            |         |         |         |
| 1800                                                       | Collected .....                                                            | 11,716  | 10,375  | 11,009  |
| 1800                                                       | MARAD Cargo Preference Reimbursements .....                                | 5       | 11      | 7       |
| 1801                                                       | Change in uncollected payments, Federal sources .....                      | -139    |         |         |
| 1825                                                       | Spending authority from offsetting collections applied to repay debt ..... | -3,115  |         |         |
| 1850                                                       | Spending auth from offsetting collections, mand (total) .....              | 8,467   | 10,386  | 11,016  |
| 1900                                                       | Budget authority (total) .....                                             | 19,646  | 18,154  | 19,180  |
| 1930                                                       | Total budgetary resources available .....                                  | 21,830  | 19,754  | 20,780  |
| Memorandum (non-add) entries:                              |                                                                            |         |         |         |
| 1941                                                       | Unexpired unobligated balance, end of year .....                           | 1,600   | 1,600   | 1,605   |
| <b>Change in obligated balance:</b>                        |                                                                            |         |         |         |
| Obligated balance, start of year (net):                    |                                                                            |         |         |         |
| 3000                                                       | Unpaid obligations, brought forward, Oct 1 (gross) .....                   | 8,290   | 8,370   | 8,491   |
| 3001                                                       | Adjustments to unpaid obligations, brought forward, Oct 1 .....            | 14      |         |         |
| 3010                                                       | Uncollected pymts, Fed sources, brought forward, Oct 1 .....               | -172    | -33     | -33     |
| 3020                                                       | Obligated balance, start of year (net) .....                               | 8,132   | 8,337   | 8,458   |
| 3030                                                       | Obligations incurred, unexpired accounts .....                             | 20,230  | 18,154  | 19,175  |
| 3040                                                       | Outlays (gross) .....                                                      | -19,578 | -18,033 | -19,234 |
| 3050                                                       | Change in uncollected pymts, Fed sources, unexpired .....                  | 139     |         |         |
| 3080                                                       | Recoveries of prior year unpaid obligations, unexpired .....               | -586    |         |         |
| Obligated balance, end of year (net):                      |                                                                            |         |         |         |
| 3090                                                       | Unpaid obligations, end of year (gross) .....                              | 8,370   | 8,491   | 8,432   |
| 3091                                                       | Uncollected pymts, Fed sources, end of year .....                          | -33     | -33     | -33     |
| 3100                                                       | Obligated balance, end of year (net) .....                                 | 8,337   | 8,458   | 8,399   |
| <b>Budget authority and outlays, net:</b>                  |                                                                            |         |         |         |
| Discretionary:                                             |                                                                            |         |         |         |
| 4000                                                       | Budget authority, gross .....                                              |         |         | 5       |
| Outlays, gross:                                            |                                                                            |         |         |         |
| 4010                                                       | Outlays from new discretionary authority .....                             |         |         | 5       |
| 4011                                                       | Outlays from discretionary balances .....                                  | 17      |         |         |
| 4020                                                       | Outlays, gross (total) .....                                               | 17      |         | 5       |
| Mandatory:                                                 |                                                                            |         |         |         |
| 4090                                                       | Budget authority, gross .....                                              | 19,646  | 18,154  | 19,175  |
| Outlays, gross:                                            |                                                                            |         |         |         |
| 4100                                                       | Outlays from new mandatory authority .....                                 | 11,053  | 12,378  | 14,143  |
| 4101                                                       | Outlays from mandatory balances .....                                      | 8,508   | 5,655   | 5,086   |
| 4110                                                       | Outlays, gross (total) .....                                               | 19,561  | 18,033  | 19,229  |
| Offsets against gross budget authority and outlays:        |                                                                            |         |         |         |
| Offsetting collections (collected) from:                   |                                                                            |         |         |         |
| 4120                                                       | Federal sources .....                                                      | -3,345  | -3,332  | -3,117  |
| 4123                                                       | Non-Federal sources .....                                                  | -8,376  | -7,054  | -7,899  |
| 4130                                                       | Offsets against gross budget authority and outlays (total) ....            | -11,721 | -10,386 | -11,016 |
| Additional offsets against gross budget authority only:    |                                                                            |         |         |         |
| 4140                                                       | Change in uncollected pymts, Fed sources, unexpired .....                  | 139     |         |         |
| 4160                                                       | Budget authority, net (mandatory) .....                                    | 8,064   | 7,768   | 8,159   |
| 4170                                                       | Outlays, net (mandatory) .....                                             | 7,840   | 7,647   | 8,213   |
| 4180                                                       | Budget authority, net (total) .....                                        | 8,064   | 7,768   | 8,164   |
| 4190                                                       | Outlays, net (total) .....                                                 | 7,857   | 7,647   | 8,218   |

**Summary of Budget Authority and Outlays** (in millions of dollars)

|                                         | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------|-------------|-----------|-----------|
| Enacted/requested:                      |             |           |           |
| Budget Authority .....                  | 8,064       | 7,768     | 8,164     |
| Outlays .....                           | 7,857       | 7,647     | 8,218     |
| Legislative proposal, subject to PAYGO: |             |           |           |
| Budget Authority .....                  |             |           | 505       |
| Outlays .....                           |             |           | 505       |
| Total:                                  |             |           |           |
| Budget Authority .....                  | 8,064       | 7,768     | 8,669     |
| Outlays .....                           | 7,857       | 7,647     | 8,723     |

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

|                                                                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|-------------|-----------|-----------|
| Identification code 12-4336-0-3-999                                    |             |           |           |
| Position with respect to appropriations act limitation on obligations: |             |           |           |
| 1131 Direct loan obligations exempt from limitation .....              | 7,103       | 7,332     | 7,873     |
| 1150 Total direct loan obligations .....                               | 7,103       | 7,332     | 7,873     |
| Cumulative balance of direct loans outstanding:                        |             |           |           |
| 1210 Outstanding, start of year .....                                  | 671         | 335       | 650       |
| 1231 Disbursements: Direct loan disbursements .....                    | 7,103       | 7,332     | 7,873     |
| 1251 Repayments: Repayments and prepayments .....                      | -7,439      | -7,017    | -7,845    |

|      |                                                               |     |     |     |
|------|---------------------------------------------------------------|-----|-----|-----|
| 1264 | Write-offs for default: Other adjustments, net (+ or -) ..... |     |     | -1  |
| 1290 | Outstanding, end of year .....                                | 335 | 650 | 677 |

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

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

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

**Budget assumptions.**—The following general assumptions form the basis for the Corporation's 2012 and 2013 budget estimates: (a) national income will rise both in 2012 and 2013 from the present level; (b) 2012 crop production will increase from 2011 crop levels for some commodities; (c) generally, exports of agricultural commodities in 2013 are expected to be higher than 2012 levels; and (d) yields for the 2012 crops are based on recent averages adjusted for trends.

It is difficult to accurately forecast requirements for the year ending September 30, 2013, since the projections are subject to complex and unpredictable factors such as weather, other factors which affect the volume of production of crops not yet planted, feed, food, and energy needs here and overseas, and available dollar exchange.

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

USDA has incorporated stochastic price and production variability into its 10-year budget baseline process starting with the 2007 President's Budget. For the 2011–2022 crops, Commodity Credit Corporation outlay projections for counter-cyclical payments, Average Crop Revenue Election (ACRE) payments, marketing loan benefits, and Milk Income Loss Contract payments are based on price probability distributions and flexibilities generated by the Economic Research Service's Food and Agricultural Policy Simulation model. This approach was used for feed grains (corn, barley, sorghum, oats), wheat, rice, upland cotton, soybeans, sugar, and dairy.

**2013 ESTIMATE**

(In millions of dollars)

| Program                                                                          | Gross obligations | Net outlays | Net realized loss for year |
|----------------------------------------------------------------------------------|-------------------|-------------|----------------------------|
| Farm income, marketing assistance loans, and price support:                      |                   |             |                            |
| Commodity loans (non-ACRE) .....                                                 | 7,568             | 26          | 0                          |
| ACRE loans .....                                                                 | 305               | 2           | 0                          |
| Feed grain payments .....                                                        | 2,249             | 2,249       | 2,249                      |
| Wheat payments .....                                                             | 1,073             | 1,073       | 1,073                      |
| Rice payments .....                                                              | 417               | 417         | 417                        |
| Cotton payments .....                                                            | 646               | 646         | 646                        |
| Oilseed payments .....                                                           | 566               | 566         | 566                        |
| Other support and related .....                                                  | 4,019             | 684         | 694                        |
| Other items not distributed by program:                                          |                   |             |                            |
| Interest .....                                                                   | 43                | 11          | 13                         |
| All other .....                                                                  | 81                | 331         | 152                        |
| Total, farm income, marketing assistance loans, and price-support programs ..... |                   |             |                            |
|                                                                                  | 16,967            | 6,005       | 5,810                      |
| Conservation programs:                                                           |                   |             |                            |
| Conservation reserve program .....                                               | 2,202             | 2,202       | 2,202                      |
| Emergency forestry conservation reserve program .....                            |                   |             |                            |
|                                                                                  | 6                 | 6           | 6                          |
| Voluntary Public Access .....                                                    |                   |             |                            |
|                                                                                  | 0                 | 0           | 0                          |
| Conservation Program Transfers to NRCS .....                                     |                   |             |                            |
|                                                                                  | 0                 | 0           | 3,549                      |
| Total, conservation programs .....                                               |                   |             |                            |
|                                                                                  | 2,208             | 2,208       | 5,757                      |
| Total, Commodity Credit Corporation .....                                        |                   |             |                            |
|                                                                                  | 19,175            | 8,213       | 11,567                     |

## COMMODITY CREDIT CORPORATION FUND—Continued

**PROGRAMS OF THE CORPORATION**

*Price support, marketing assistance loans, and related stabilization programs.*—The Corporation conducts programs to support farm income and prices and stabilize the market for agricultural commodities. Price support is provided to producers of agricultural commodities through loans, purchases, payments, and other means. This is done mainly under the Commodity Credit Corporation Charter Act, as amended, the Agricultural Act of 1949 (1949 Act), as amended, the Farm Security and Rural Investment Act of 2002 (2002 Farm Bill), and the Food, Conservation and Energy Act of 2008 (2008 Farm Bill).

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

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

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

*Direct Payments and Counter-Cyclical Payments.*—The 2002 Farm Bill established direct payments and counter-cyclical payments for May 2002 through 2007. The payments were extended through the 2012 crop year by the 2008 Farm Bill. The eligible commodities for both direct payments and counter-cyclical payments are wheat, corn, grain sorghum, barley, oats, upland cotton, rice, soybeans, other oilseeds, and peanuts. The 2008 Farm Bill adds the following as eligible commodities: long grain and medium grain rice and pulse crops, expanded to include large chickpeas.

*Direct Payments* are payments to producers for which payment yields and base acres are established. The commodity payment amount is calculated as follows: Payment Amount = specified rate x payment acres x payment yield. At the option of the producer, the producer can choose to receive advance payments (up to 22 percent) during the producer's selected month. The month selected may be any month during the period beginning on December 1 of the calendar year before the calendar year in which the crop of the covered commodity is harvested through the month within which the direct payment would otherwise be made. The direct payment rates established in the 2008 Farm Bill are the same as those in the 2002 Farm Bill; however, payment acres decrease from 85 percent to 83.3 percent of base acres for 2009–2011 crops, and no advance payments are available for the 2012 and subsequent crops.

*Counter-Cyclical Payments* are payments to producers for which payment yields and base acres are established for eligible commodities if it is determined that the effective commodity price is less than the target commodity price. Counter-cyclical payments will be made for the crop as soon as practicable after the end of the 12-month marketing year for the eligible commodity.

*Average Crop Revenue Election (ACRE) Payments.*—The 2008 Farm Bill adds the ACRE program for the 2009–2012 crop years. Producers who elect to enroll a farm in ACRE are eligible for ACRE payments in lieu of counter-cyclical payments on the farm and in exchange for a 20 percent reduction in direct payments on the farm and a 30 percent reduction in the marketing assistance loan rates for all commodities produced on the farm except

that the loan rate for seed cotton loans will not be so reduced. The election to enroll a farm in ACRE may be made for any of the crop years 2009–2012, but once the election is made, it is irrevocable through the 2012 crop.

*Marketing assistance loans.*—The 2002 Farm Bill authorized producers of eligible crops to receive non-recourse marketing assistance loans from the government for any quantity of a loan commodity produced on the farm by pledging their production as loan collateral. This loan shall have a term of 9 months beginning on the first day of the first month after the month in which the loan is made. The loan cannot be extended. As a condition of the receipt of a marketing assistance loan, the producer shall comply with applicable conservation requirements under subtitle B of title XII of the Food Security Act of 1985 and applicable wetland protection requirements under subtitle C of title XII of the Act during the term of the loan. Producers of eligible commodities can repay a marketing assistance loan at a rate that is the lesser of (1) the loan rate established for the commodity plus interest; or (2) a rate that the Secretary determines. Special rules apply to upland cotton, rice, and extra long staple cotton. Crops eligible for marketing assistance loans include wheat, corn, barley, oats, grain sorghum, rice, upland cotton, soybeans, extra long staple cotton, other oilseeds, dry peas, lentils, small chickpeas, honey, wool, and mohair. The 2008 Farm Bill establishes specific loan rates for long grain and medium grain rice and restricts loan rate adjustments to grade and quality factors. Also, large chickpeas are added as a new marketing assistance loan commodity with a higher loan rate than small chickpeas.

*Marketing loss assistance for asparagus producers.*—The 2008 Farm Bill authorizes the use of \$15 million to make payments to 2007 crop asparagus producers. Of the total, \$7.5 million was available to fresh market asparagus producers and \$7.5 million was available to frozen market asparagus producers.

*Peanut price support program.*—Under the 2008 Farm Bill, peanuts qualify for ACRE or direct payments, counter-cyclical payments, marketing assistance loans and loan deficiency payments for the 2009 through 2012 crops.

The 2002 Farm Bill terminated the marketing quota programs and repealed price support programs. The prior quota programs stayed in effect for the 2001 crop only, with quota buyout compensation payments being made during 2002 through 2006. The prior price support programs remained in effect for the 2002 crop only, notwithstanding any other provision of law or crop insurance policy.

The 2002 Farm Bill established marketing assistance loans for the 2002 through 2007 crops, with the loan rate for peanuts of \$355 per ton. The 2008 Farm Bill continues this rate. The payment rate shall be the amount by which the established loan rate exceeds the rate at which a loan may be repaid.

*Tobacco program.*—The American Jobs Creation Act of 2004, P.L. 108–357, eliminated the program effective with the 2005 crop. In return for losing the program, growers and quota holders will receive a buyout. The owners of quota are being paid \$7 per pound for the quota they hold. The actual producers are being paid \$3 per pound for the quota they produced. The legislation eliminates all geographic and poundage restrictions on tobacco production as well as price support. The buyout is funded by assessments on the tobacco product manufacturers and importers. The program will cost \$10.14 billion, and the growers and quota holders will be paid over a 10-year period.

*Sugar program.*—Sugar qualifies for price support. The 2002 Farm Bill extended the national average sugar loan rates to cover through the 2007 crops at 18 cents per pound for raw cane sugar and 22.9 cents per pound for refined beet sugar. The 2008

Farm Bill provides for escalating rates through crop year 2012. For raw cane sugar, the rate increases to 18.25 cents per pound for 2009, 18.5 cents per pound for 2010 and 18.75 cents per pound for 2011–2012. For refined beet sugar, the rates for crop year 2009–2012 are the raw cane sugar rate times 1.285. Loans are available to processors of domestically grown sugarcane and sugar beets for a term of nine months that does not begin or extend beyond the end/beginning of a fiscal year. The non-recourse loans extend through the 2007 crop for processors of domestically produced sugar beets and sugarcane including for in-process sugar. Loans for in-process sugar have a loan rate of 80 percent of the loan rate for raw cane sugar or refined beet sugar (based on the source material used). If forfeitures occur, the processor shall convert the in-process into final product at no cost to the CCC. Upon transfer, the processor will receive payment based on the loan rate less 80 percent of raw cane or refined beet sugar rate times the quantity of sugar transferred. The loan program will continue through the 2012 crop. The 2002 Farm Bill did not resume the sugar marketing assessment collections but authorized marketing allotments. The 2002 Act provided assistance for sugar donations in the amount of 10,000 tons to compensate sugar producers who suffer losses incurred beyond existing CCC administered programs. This assistance was a one-time occurrence.

The 2008 Farm Bill extends the marketing allotment provisions of the 2002 Act, except they are now permanent and cannot be set at a level less than 85 percent of estimated sugar deliveries for human consumption. The 2008 Farm Bill introduces the Feedstock Flexibility Program, which requires the diversion of sugar from food use to ethanol producers, if needed, to keep sugar prices above levels at which sugar processors might otherwise forfeit sugar under loan to the CCC.

*Dairy program.*—The 2002 Farm Bill extended the Dairy Price Support Program from June 1, 2002 through December 31, 2007 at a rate of \$9.90 per hundredweight for milk containing 3.7 percent butterfat. The support program is carried out through the purchase of butter, nonfat dry milk, and cheese at prices that enable processors to pay dairy farmers, on average, the support price for milk. As under previous law, the Secretary may allocate the rate of price support between the purchase prices for nonfat dry milk and butter in a manner that minimizes CCC expenditures or other objectives, as the Secretary considers appropriate. Cash CCC inventory sales (with some exceptions) shall be at any price that the Secretary determines will maximize CCC returns. The 2002 Farm Bill repealed all legislative authority for the Dairy Recourse Loan Program but established a new Milk Income Loss Contract Program (MILC), under which the Secretary may contract with eligible producers to make monthly payments when milk prices fall below specified levels. The U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 (P.L. 110–28) extended the MILC program through September 2007.

The 2008 Farm Bill replaces the price support program of the 2002 Farm Bill with the Dairy Product Price Support Program, which is effective for calendar years 2008–2012. It requires the Secretary to support the price of cheddar cheese, butter and nonfat dry milk through purchases of such products at prices not less than \$1.13 per pound for cheddar cheese in blocks, not less than \$1.10 per pound for cheddar cheese in barrels, not less than \$1.05 per pound for butter, and not less than \$0.80 per pound for nonfat dry milk. Purchase prices for milk products may be adjusted lower based on preset levels of product net removals. The 2008 Farm Bill extends the MILC program through September 30, 2012. The payment calculation percentage is raised

from 34 percent to 45 percent and the payment quantity is raised from 2,400,000 to 2,985,000 million pounds per fiscal year effective October 1, 2008 through August 31, 2012. A feed cost adjuster is added that raises the \$16.94 base price when the national average ration cost exceeds \$7.35 per hundredweight for a given month.

Section 748(a) of the fiscal year 2010 USDA Appropriations Act, P.L. 111–80, appropriated \$60 million for the purchase of cheese and cheese products, which the Commodity Credit Corporation finished procuring in fiscal year 2011.

*Payment Limitations.*—In general, the 2002 Farm Bill revised the Food Security Act of 1985 (7 U.S.C. 1308) for payment limitations. The total amount of direct payments made to a person during any crop year for one or more covered commodities may not exceed \$40,000. The 2008 Farm Bill rescinds the three entity rule for payment limitation purposes for the 2009–2012 crops. Instead, payments are tracked as received directly or indirectly by an individual person or legal entity (otherwise termed direct attribution). Except for participants who elect to receive ACRE payments, the direct payment limitation remains at \$40,000 for covered commodities in the 2008 Farm Bill, with a separate \$40,000 payment limitation for peanut direct payments. The payment limitation on counter-cyclical payments made to a person during any crop year for one or more covered commodities continues at \$65,000 in the 2008 Farm Bill, except for participants who elect to receive ACRE payments. For counter-cyclical payments, there is a separate \$65,000 payment limitation for peanut counter-cyclical payments. For producers that receive ACRE payments, the payment limit is \$65,000 plus the amount their direct payments are reduced due to their participation in ACRE. The total amount of gains and payments that a person may receive during any crop year under marketing assistance loan and loan deficiency payment provisions may not exceed \$75,000 for crop years 2002–2008. The 2008 Farm Bill rescinds the payment limitation for both marketing loan gains and loan deficiency payments beginning with the 2009 crop. Notwithstanding any other provision of law, an individual or entity shall not be eligible to receive any benefit described above if the average adjusted annual gross income of the individual or entity exceeds \$2,500,000, unless not less than 75 percent of the average adjusted gross income of the individual or entity is derived from farming, ranching, or forestry operations, as determined by the Secretary. The 2008 Farm Bill extends these provisions through the 2008 crop year, but makes commodity program payments subject to farm and nonfarm adjusted gross income (AGI) limits for 2009–2012 crop years. The AGI attributable to farming activities is adjusted farm gross income (AFGI), and the AGI attributable to other activities is adjusted nonfarm gross income (ANGI). If AFGI exceeds \$750,000, the person or entity is ineligible to receive commodity program payments, and if ANGI exceeds \$500,000, the person or entity is ineligible to receive payments. Commodity program payments include direct, counter-cyclical, ACRE, loan deficiency, marketing loan gain, NAP, supplemental crop disaster assistance, MILC, and trade adjustment assistance payments. The 2012 Enacted level included a general provision that prohibited direct payments to individuals or entities with an average adjusted gross income in excess of \$1 million. The 2013 Budget does not continue this limitation.

*Noninsured Assistance Program.*—The Agricultural Risk Protection Act of 2000 eliminated the area loss requirement for triggers and made other changes. It also included a provision that all types or varieties of a crop or commodity may be considered to be a single eligible crop for NAP assistance and provided additional funding in 2002 with annual increases

## COMMODITY CREDIT CORPORATION FUND—Continued

through 2010. The 2008 Farm Bill amended the payment limitation provisions to conform with direct attribution of payments to a person of legal entity.

**Dairy Export Incentive Program (DEIP).**—DEIP provides cash bonus payments to exporters to facilitate commercial sales of U.S. dairy products in overseas markets. Estimates of the quantity of dairy products to be exported under DEIP and associated expenditures were formulated within the maximum allowable expenditure and quantity levels specified in conjunction with provisions of the Uruguay Round Agreement. Consequently, current baseline projections assume that DEIP will not exceed \$116.6 million annually during 2002–2012. Actual DEIP subsidies are further limited on a product-by-product basis under the Uruguay Round.

**Export Enhancement Program (EEP).**—The 2008 Farm Bill eliminated authority for the program.

**Market Access Program (MAP).**—Under the MAP, CCC Funds are used to reimburse participating organizations for a portion of the costs of carrying out overseas marketing and promotional activities. The 2008 Farm Bill continued the authority for the MAP program with funding of \$200 million for 2008–2012.

**Foreign Market Development Cooperator Program (FMD) and Quality Samples Program.**—Under the FMD program, cost-share assistance is provided to nonprofit commodity and agricultural trade associations to support overseas market development activities that are designed to remove long-term impediments to increased U.S. trade. The 2002 Farm Bill increased the available funds for this program to \$34.5 million for 2002 through 2007 and the 2008 Farm Bill continues this funding level for 2008–2012. In addition, the budget proposes to increase discretionary funding for the program in fiscal year 2011 by \$34.5 million as part of a broader government wide initiative to increase export promotion.

CCC will fund the Quality Samples Program at an authorized annual level of \$2.5 million. Under this initiative, samples of U.S. agricultural products will be provided to foreign importers to promote a better understanding and appreciation for the high quality of U.S. products.

**Commodity Donations.**—The 2008 Farm Bill authorizes the donation of surplus commodity inventory to domestic nutrition programs. The Corporation may also donate commodities under the authority of section 416(b) of the Agricultural Act of 1949 to carry out programs of assistance in developing countries and friendly countries and pay costs associated with making the commodities available. Commodities that are acquired by CCC in the normal course of its domestic support operations will be available for donation. The Corporation may also use its funds to furnish commodities overseas under the authority of the Food for Progress Act of 1985; however, not more than \$55 million of the funds of the Corporation (exclusive of the costs of commodities) may be used for each fiscal year.

**The Bill Emerson Humanitarian Trust.**—The Bill Emerson Humanitarian Trust (BEHT) is a commodity and/or monetary reserve designed to ensure that the United States can meet its international food aid commitments. Assets of the Trust can be released any time the Administrator of the U.S. Agency for International Development determines that Title II of the Food for Peace Act funding for emergency needs is inadequate to meet those needs in any fiscal year. When a release from the Trust is authorized, the Trusts assets cover all commodity costs associated with the release. All non-commodity costs, including ocean freight charges; internal transportation, handling, and storage overseas; and certain administrative costs are paid by CCC. The 2008 Farm

Bill extended the authorization to replenish the BEHT through 2012.

**Conservation Programs**

**Conservation Programs.**—Conservation programs administered by the Farm Service Agency and the Natural Resources Conservation Service are funded through the Commodity Credit Corporation. These programs help farmers adopt and maintain conservation systems that protect water quality, reduce soil erosion, protect and enhance wildlife habitat and wetlands, conserve water, and sequester carbon.

**Conservation Reserve Program (CRP).**—Administered by FSA, the purpose of CRP is to cost-effectively assist farm owners and operators in conserving and improving soil, water, air, and wildlife resources by converting highly erodible and other environmentally sensitive acreage normally devoted to the production of agricultural commodities to a long-term resource-conserving cover. CRP participants enroll contracts for periods from 10 to 15 years in exchange for annual rental payments and cost-share and technical assistance for installing approved conservation practices.

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

CRP was established by the 1985 Food Security Act and amended and extended under subsequent farm bills. Most recently, the 2008 Farm Bill (P.L. 110–246) re-authorized CRP through September 30, 2012; permits CRP to enroll up to 32 million acres at any one time beginning October 1, 2009; expanded Farmable Wetlands Program (FWP) eligibility; included provisions for funding a tree thinning cost-share program; and included a program transitioning expiring CRP lands from retiring producers to beginning and socially disadvantaged farmers.

In addition to FWP, CRP also enrolls land through general signups, Conservation Reserve Enhancement Program (CREP) signups, and non-CREP continuous signups. FWP operates on a continuous basis. Under general signup provisions, producers compete nationally during specified enrollment periods for acceptance based on an environmental benefits index. Under continuous signup provisions, producers enroll specified high-environmental value lands such as wetlands, riparian buffers, and various types of habitat at any time during the year without competition.

General signups were held in fiscal years 2010 and 2011, in which 4.0 million acres and 2.7 million acres, respectively, were enrolled.

Under continuous signup, including CREP and FWP, a combined total of 5.1 million acres were under contract as of the end of fiscal year 2011. About 67,000 acres are projected to be enrolled under continuous signup in fiscal year 2012.

Fiscal year 2011 ended with 31.1 million acres under contract. With contracts expiring on 4.4 million acres on September 30, 2011 and contracts beginning on 2.7 million acres from FY 2011's general signup and 200,000 acres of continuous signup, 2012 enrollment began with 29.6 million acres under contract. General and continuous signup are assumed to be held annually with enrollment projected to range between 30 and 32 million acres

throughout the baseline period. The budget includes a 5.4 million acre general signup in 2012.

For those conservation programs administered by the Natural Resources Conservation Service (NRCS), funding is transferred from CCC to NRCS's Farm Security and Rural Investment Programs account (see the NRCS section). Specifically, these programs include: the Environmental Quality Incentives Program; the Wetlands Reserve Program; the Wildlife Habitat Incentives program; the Farmland Protection Program; the Conservation Security Program; the Conservation Stewardship Program; the Chesapeake Bay Watershed Program; the Agriculture Water Enhancement Program; the Healthy Forest Reserve Program; and the Grassland Reserve Program. NRCS also receives funding from the CCC to carry out technical assistance for the Conservation Reserve Program and to carry out part of the Agricultural Management Assistance Program (see below).

*Voluntary Public Access and Habitat Incentive Program (VPA-HIP).*—was established by the Food Security Act of 1985, as amended with the passage of the Food, Conservation, and Energy act of 2008 (2008 Farm Bill). VPA-HIP is a competitive grant program, with up to \$50 million available through FY 2012. Funding is limited to State and tribal governments establishing new public access programs, expanding existing public access programs, and/or enhancing wildlife habitat on lands enrolled in public access programs.

The primary objective of the VPA-HIP is to encourage owners and operators of privately-held farm, ranch, and forest land to voluntarily make that land available for access by the public for wildlife-dependent recreation, including hunting or fishing, under programs implemented by State or tribal governments. VPA-HIP will provide environmental, economic and social benefits including, but not limited to, enhanced wildlife habitat, improved wildlife populations, increased revenue for rural communities, and expanded opportunities for re-connecting Americans with the great outdoors. To date, nearly \$30 million of VPA-HIP funding has been obligated to 26 state fish and wildlife agencies and one tribal government entity. Pursuant to the Consolidated and Further Continuing Appropriations Act, 2012 (P.L. 112–55), no funding is available for VPA-HIP in 2012. The 2013 Budget proposes funding for a similar program to be administered by the Natural Resources Conservation Service.

*Biomass Crop Assistance Program (BCAP).*—The 2008 Farm Bill amended the 2002 Farm Bill to authorize this program to support the establishment and production of eligible crops for conversion to bioenergy in selected BCAP project areas; and to assist agricultural and forest land owners and operators with the collection, harvest, storage, and transportation of eligible material for use in a biomass conversion facility.

BCAP is a primary component of the domestic agriculture, energy, and environmental strategy to reduce U.S. reliance on foreign oil, improve domestic energy security, reduce carbon pollution, and spur rural economic development and job creation. BCAP is the only federal program focused on growing the crops needed for bioenergy production (heat, power, liquid fuels). BCAP provides two categories of assistance: (1) establishment costs and annual payments to produce eligible biomass crops; and (2) matching payments for the delivery of eligible material to qualified biomass conversion facilities by eligible material owners.

For matching payments in FY 2011, BCAP made a total investment (obligation) of approximately \$2 million supporting the collection, harvest, storage and transportation of nearly 45,000 dry tons of herbaceous crop residue (corn stover) for conversion to bioenergy in fiscal year 2011. For establishment and annual payments in FY 2011, BCAP processed the submission of project

proposals seeking more than \$1 billion to enroll more than 1.5 million acres. FSA designated nine project areas targeting acreage signup in FY 2011 of 117,184 acres. BCAP project area signups were held from May to September 2011, resulting in the enrollment of over 48,000 acres for four different feedstocks (camelina, native grasses, miscanthus & hybrid poplar) with intended conversion to fuel pellets, biodiesel, bio-ethanol, jet fuel drop-ins (hydro carbons) and biobased products. Total project area investment (obligation) of approximately \$54 million: \$35 million for five-year contracts on herbaceous crops and approximately \$19 million for the support of woody crops (hybrid poplar) over eleven years. The Consolidated and Further Continuing Appropriations Act, 2012 (P.L. 112–55) limits funding for the program to \$17 million.

*Agricultural Management Assistance Program.*—The Agricultural Risk Protection Act of 2000 authorized CCC funding of \$10 million for 2001 and subsequent years for the Agricultural Management Assistance Program (AMAP). AMAP provides cost-share assistance to producers in states in which Federal Crop Insurance Program participation is historically low as determined by the Secretary of Agriculture. The Secretary delegated authority to implement this program to the Natural Resources Conservation Service, Risk Management Agency, and the Agricultural Marketing Service. The 2008 Farm Bill increased funding to \$15 million for 2008–2012 and increased to 16 the number of States eligible to participate. P.L. 112–55 reduced the total from \$15 million to \$10 million and the 2013 Budget maintains this level.

*Emergency Forestry Conservation Reserve Program (EFCRP).*—The Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act of 2006, P.L. 109–148, as amended by P.L. 109–234 and P.L. 110–28, mandates that the Secretary shall carry out an emergency pilot program in States that the Secretary determines have suffered damage to merchantable timber in counties affected by hurricanes during the 2005 calendar year. The Act provided \$404.1 million for this program, called the Emergency Forestry Conservation Reserve Program (EFCRP). P.L. 109–234 increased funding for EFCRP by \$100 million, to \$504.1 million. P.L. 110–28 lifted a restriction limiting the program to calendar year 2006. EFCRP enrollment during calendar year 2006 was 180,175 acres. Signup ended on December 31, 2006 and resumed in August 2007. Since then an additional 114,143 acres have been enrolled. There were 294,318 acceptable acres as of December 2011. These acres do not count against the 32 million acres CRP maximum program authority.

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

| [In millions of dollars]                          |             |           |           |  |
|---------------------------------------------------|-------------|-----------|-----------|--|
| Item                                              | 2011 actual | 2012 est. | 2013 est. |  |
| Loans outstanding, gross, start of year:          |             |           |           |  |
| Commodity Credit Corporation .....                | 671         | 335       | 650       |  |
| Additional loans made .....                       | 7,103       | 7,332     | 7,873     |  |
| Deduct:                                           |             |           |           |  |
| Loans repaid .....                                | -7,439      | -7,017    | -7,845    |  |
| Acquisition of loan collateral .....              | 0           | 0         | -1        |  |
| Write-offs .....                                  | 0           | 0         | 0         |  |
| Total loans outstanding, gross, end of year ..... | 335         | 650       | 677       |  |

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

| AGRICULTURAL COMMODITIES            |             |           |           |  |
|-------------------------------------|-------------|-----------|-----------|--|
| [In millions of dollars]            |             |           |           |  |
| Item                                | 2011 actual | 2012 est. | 2013 est. |  |
| On hand, start of year, gross ..... | 48          | 53        | 0         |  |
| Acquisitions:                       |             |           |           |  |

COMMODITY CREDIT CORPORATION FUND—Continued  
AGRICULTURAL COMMODITIES—Continued

| Item                                                    | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------|-------------|-----------|-----------|
| Forfeiture of loan collateral .....                     | 0           | 0         | 1         |
| Excess of collateral acquired over loans canceled ..... | 0           | 0         | 0         |
| Purchases .....                                         | 982         | 954       | 850       |
| Transfers and exchanges .....                           | 0           | -4        | 0         |
| Carrying charges:                                       |             |           |           |
| Charges to inventory .....                              | 3           | 0         | 0         |
| Storage and handling (non-add) .....                    | -3          | 1         | 0         |
| Transportation (non-add) .....                          | 1           | 0         | 0         |
| Total acquisitions .....                                | 985         | 950       | 851       |
| Dispositions:                                           |             |           |           |
| Domestic donations to:                                  |             |           |           |
| Families .....                                          | 29          | 0         | 0         |
| Institutions .....                                      | 196         | 0         | 0         |
| Total domestic donations .....                          | 225         | 0         | 0         |
| Export donations .....                                  | 269         | 129       | 100       |
| Sales and transfers:                                    |             |           |           |
| Special programs: Title II, Public Law 480 .....        | 465         | 874       | 750       |
| Other sales .....                                       | 21          | 0         | 1         |
| Net loss or gain (-) on sales and transfers .....       | 0           | 0         | 0         |
| Total sales and transfers .....                         | 486         | 874       | 751       |
| Total dispositions .....                                | 980         | 1,003     | 851       |
| On hand, end of year, gross .....                       | 53          | 0         | 0         |

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

## DATA ON SUPPORT AND RELATED PROGRAMS

[In millions of dollars]

| Item                                                 | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------|-------------|-----------|-----------|
| Loans made .....                                     | 7,103       | 7,332     | 7,873     |
| Loans repaid .....                                   | 7,439       | 7,017     | 7,845     |
| Loan collateral forfeited .....                      | 0           | 0         | 1         |
| Loans outstanding, end of year .....                 | 335         | 650       | 677       |
| Acquisitions .....                                   | 985         | 950       | 851       |
| Cost of commodities sold .....                       | 486         | 874       | 751       |
| Cost of commodities donated .....                    | 494         | 129       | 100       |
| Inventory, end of year .....                         | 53          | 0         | 0         |
| Investment in loans and inventory, end of year ..... | 388         | 650       | 677       |
| Direct producer payments .....                       | 7,786       | 7,199     | 8,135     |
| Net expenditures .....                               | 7,857       | 7,647     | 8,213     |
| Realized losses .....                                | 9,527       | 11,019    | 11,567    |

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

Expenses are incurred for acquisition, operation, maintenance, improvement, or disposition of existing property that the Corporation owns or in which it has an interest. These expenses are treated as program expenses. Such program expenses include inspection, classing, and grading work performed on a fee basis by Federal employees or Federal- or State-licensed inspectors; and special services performed by Federal agencies within and outside this Department. Most of these general expenses, including storage and handling, transportation, inspection, classing and grading, and producer storage payments, are included in program costs. They are shown in the program and financing

schedule in the entries entitled "Storage, transportation, and other obligations not included above."

Section 161 of the 1996 Act amended Section 11 of the CCC Charter Act to limit the use of CCC funds for the transfer and allotment of funds to State and Federal agencies. The Section 11 cap of \$56 million including FSA loan service fees remains at \$56 million in 2011 and 2012.

The Corporation receives reimbursement for grain requisitioned pursuant to Public Law 87-152 by the States from Corporation stocks to feed resident wildlife threatened with starvation through the appropriation reimbursement for net realized losses. There have been no requisitions in recent years, however. The Corporation receives reimbursement for the commodity costs and other costs, including administrative costs, for commodities supplied to domestic nutrition programs and international food aid programs.

## FINANCING

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

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

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

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

## POSITION WITH RESPECT TO BORROWING AUTHORITY, END OF YEAR

[In millions of dollars]

| Item                                              | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------|-------------|-----------|-----------|
| Statutory borrowing authority .....               | 30,000      | 30,000    | 30,000    |
| Deduct: Borrowings from Treasury .....            | -1,127      | 967       | 1,852     |
| Net statutory borrowing authority available ..... | 31,127      | 29,033    | 28,148    |

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

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

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

The special activities are financed as indicated in the program descriptions above. In addition to certain reimbursements from

other agencies, appropriations are made for foreign assistance programs.

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

**SUPPORT AND RELATED PROGRAMS**

(In millions of dollars)

|                                                                               |             |
|-------------------------------------------------------------------------------|-------------|
|                                                                               | 2011 actual |
| Realized losses, 1933 to 2011, inclusive .....                                | 505,889     |
| Reimbursements by the Treasury: .....                                         |             |
| Reimbursements of realized losses: .....                                      |             |
| Appropriations (72 times) .....                                               | 493,204     |
| Note cancellations (6 times) .....                                            | 2,698       |
| Less dividends paid to Treasury (4 times) .....                               | -138        |
| Total reimbursements for net realized losses .....                            | 495,764     |
| Other reimbursements:                                                         |             |
| Appropriations (2 times) .....                                                | 542         |
| Note cancellation (1 time) .....                                              | 56          |
| Total other reimbursements .....                                              | 598         |
| Total .....                                                                   | 496,362     |
| Realized deficit as of September 30, 2011, support and related programs ..... | 9,527       |

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

|                                                    |             |             |
|----------------------------------------------------|-------------|-------------|
| Identification code 12-4336-0-3-999                | 2010 actual | 2011 actual |
| <b>ASSETS:</b>                                     |             |             |
| Federal assets:                                    |             |             |
| 1101 Fund balances with Treasury .....             | -1,249      | 1,876       |
| Investments in US securities:                      |             |             |
| 1106 Receivables, net .....                        | 469         | 360         |
| 1107 Advances and prepayments .....                | 2           |             |
| Non-Federal assets:                                |             |             |
| 1206 Receivables, net .....                        | 114         | 66          |
| 1207 Advances and prepayments .....                | 42          | 70          |
| 1601 Direct loans, gross .....                     | 671         | 335         |
| 1602 Interest receivable .....                     | 2           | 1           |
| 1699 Value of assets related to direct loans ..... | 673         | 336         |
| Other Federal assets:                              |             |             |
| 1801 Cash and other monetary assets .....          | 12          |             |
| 1802 Inventories and related properties .....      | 22          | 3           |
| 1803 Property, plant and equipment, net .....      | 57          | 48          |
| 1901 Other assets .....                            |             | 31          |
| 1999 Total assets .....                            | 142         | 2,790       |
| <b>LIABILITIES:</b>                                |             |             |
| Federal liabilities:                               |             |             |
| 2101 Accounts payable .....                        | 1           | 1           |
| 2103 Debt .....                                    | 755         |             |
| 2105 Other .....                                   | 1,356       | 1,269       |
| Non-Federal liabilities:                           |             |             |
| 2201 Accounts payable .....                        | 41          | 380         |
| 2207 Other .....                                   | 7,017       | 7,572       |
| 2999 Total liabilities .....                       | 9,170       | 9,222       |
| <b>NET POSITION:</b>                               |             |             |
| 3100 Appropriated capital .....                    | 3,685       | 2,710       |
| 3300 Cumulative results of operations .....        | -12,713     | -9,142      |
| 3999 Total net position .....                      | -9,028      | -6,432      |
| 4999 Total liabilities and net position .....      | 142         | 2,790       |

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

|                                                                         |             |           |           |
|-------------------------------------------------------------------------|-------------|-----------|-----------|
| Identification code 12-4336-0-3-999                                     | 2011 actual | 2012 est. | 2013 est. |
| Direct obligations:                                                     |             |           |           |
| 22.0 Transportation of things .....                                     | 52          | 199       | 195       |
| 25.2 Other services from non-Federal sources .....                      | 264         | 240       | 197       |
| 25.2 Other services: Storage and handling .....                         |             | 1         |           |
| 26.0 Supplies and materials: Costs of commodities sold or donated ..... | 985         | 950       | 889       |
| 41.0 Grants, subsidies, and contributions .....                         | 9,773       | 7,670     | 8,475     |
| 43.0 Interest and dividends .....                                       | 7           | 11        | 46        |
| 99.0 Direct obligations .....                                           | 11,081      | 9,071     | 9,802     |
| Reimbursable obligations:                                               |             |           |           |
| 22.0 Transportation of things: P. L. 480 ocean transportation .....     | 1,081       | 877       | 750       |

|                                                   |        |        |        |
|---------------------------------------------------|--------|--------|--------|
| 26.0 Supplies and materials - Cost of Commodities |        |        |        |
| Procured/Donated - PL 480 .....                   | 965    | 874    | 750    |
| 33.0 Investments and loans .....                  | 7,103  | 7,332  | 7,873  |
| 99.0 Reimbursable obligations .....               | 9,149  | 9,083  | 9,373  |
| 99.9 Total new obligations .....                  | 20,230 | 18,154 | 19,175 |

**COMMODITY CREDIT CORPORATION FUND**  
(Legislative proposal, subject to PAYGO)

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

|                                                       |             |           |           |
|-------------------------------------------------------|-------------|-----------|-----------|
| Identification code 12-4336-4-3-999                   | 2011 actual | 2012 est. | 2013 est. |
| <b>Obligations by program activity:</b>               |             |           |           |
| 0002 Mandatory Disaster Assistance .....              |             |           | 516       |
| 0192 Total support and related programs .....         |             |           | 516       |
| 0900 Total new obligations (object class 41.0) .....  |             |           | 516       |
| <b>Budgetary Resources:</b>                           |             |           |           |
| Budget authority:                                     |             |           |           |
| Appropriations, mandatory:                            |             |           |           |
| 1200 Appropriation .....                              |             |           | 516       |
| 1200 Appropriation .....                              |             |           | -11       |
| 1260 Appropriations, mandatory (total) .....          |             |           | 505       |
| 1930 Total budgetary resources available .....        |             |           | 505       |
| Memorandum (non-add) entries:                         |             |           |           |
| 1941 Unexpired unobligated balance, end of year ..... |             |           | -11       |
| <b>Change in obligated balance:</b>                   |             |           |           |
| 3030 Obligations incurred, unexpired accounts .....   |             |           | 516       |
| 3040 Outlays (gross) .....                            |             |           | -505      |
| Obligated balance, end of year (net):                 |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....    |             |           | 11        |
| 3100 Obligated balance, end of year (net) .....       |             |           | 11        |
| <b>Budget authority and outlays, net:</b>             |             |           |           |
| Mandatory:                                            |             |           |           |
| 4090 Budget authority, gross .....                    |             |           | 505       |
| Outlays, gross:                                       |             |           |           |
| 4100 Outlays from new mandatory authority .....       |             |           | 505       |
| 4180 Budget authority, net (total) .....              |             |           | 505       |
| 4190 Outlays, net (total) .....                       |             |           | 505       |

As part of the President's commitment to fiscal responsibility the Budget includes three proposals. The proposals include programmatic changes that:

1. **Eliminate direct payments.**—The direct payment program provides producers fixed annual income payments for covered commodities based upon historical planted acres and yields. Payments are made regardless of whether the farmer is currently producing those crops—or any crop, for that matter. Direct payments do not vary based upon actual production or prices. As a result, landowners receive direct payments during times of record profitability. In a period of severe fiscal restraint, these payments are no longer defensible. Eliminating direct payments would increase revenue based commodity payments and would save the Government roughly \$3 billion per year.

2. **Cap the Conservation Reserve Program Acreage.**—Private lands conservation efforts play a critical role in conserving the Nations soil, water, and related natural resources. The Administration is very supportive of programs that create incentives for private lands conservation and has made great strides in leveraging these resources with those of other Federal agencies towards greater landscape-scale conservation. However, in light of the current economic realities and to reduce the deficit, the Administration proposes to cap the maximum allowable acreage enrollment in the Conservation Reserve Program at 30 million acres, saving roughly \$977 million over 10 years when compared to the 2013 Budget's baseline.

3. **Extend disaster assistance using mandatory funding.**—The Administration strongly supports disaster assistance programs

COMMODITY CREDIT CORPORATION FUND—Continued

that protect farmers in their time of greatest need. The Food, Conservation, and Energy Act of 2008 provided producers with mandatory disaster assistance programs for the 2008 to 2011 crops. To strengthen the safety net, the Administration proposes to extend these programs, or similar types of disaster assistance that are of a similar cost, for the 2013 to 2017 crops. The programs provide financial assistance to producers when they suffer actual losses in farm revenue, loss of livestock or the ability to graze their livestock, loss of trees in an orchard, and other losses due to diseases or adverse weather.

COMMODITY CREDIT CORPORATION EXPORT (LOANS) CREDIT GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the Commodity Credit Corporation's export guarantee program, GSM 102 and GSM 103, **[\$6,820,000]** \$6,806,000; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which **[\$6,465,000]** \$6,452,000 shall be **[transferred to and merged with]** paid to the appropriation for "Foreign Agricultural Service, Salaries and Expenses", and of which **[\$355,000]** \$354,000 shall be **[transferred to and merged with]** paid to the appropriation for "Farm Service Agency, Salaries and Expenses". (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-1336-0-1-351       | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>   |             |           |           |
| Credit program obligations:               |             |           |           |
| 0707                                      | 122         | 49        |           |
| 0708                                      | 3           | 20        |           |
| 0709                                      | 7           | 7         | 7         |
| 0900                                      | 132         | 76        | 7         |
| <b>Budgetary Resources:</b>               |             |           |           |
| Unobligated balance:                      |             |           |           |
| 1000                                      | 332         | 20        |           |
| Budget authority:                         |             |           |           |
| Appropriations, discretionary:            |             |           |           |
| 1100                                      | 7           | 7         | 7         |
| 1160                                      | 7           | 7         | 7         |
| Appropriations, mandatory:                |             |           |           |
| 1200                                      | 19          |           |           |
| 1200                                      | 125         | 69        |           |
| 1230                                      | -331        | -20       |           |
| 1260                                      | -187        | 49        |           |
| 1900                                      | -180        | 56        | 7         |
| 1930                                      | 152         | 76        | 7         |
| Memorandum (non-add) entries:             |             |           |           |
| 1941                                      | 20          |           |           |
| <b>Change in obligated balance:</b>       |             |           |           |
| 3030                                      | 132         | 76        | 7         |
| 3040                                      | -132        | -76       | -7        |
| <b>Budget authority and outlays, net:</b> |             |           |           |
| Discretionary:                            |             |           |           |
| 4000                                      | 7           | 7         | 7         |
| Outlays, gross:                           |             |           |           |
| 4010                                      | 7           | 7         | 7         |
| Mandatory:                                |             |           |           |
| 4090                                      | -187        | 49        |           |
| Outlays, gross:                           |             |           |           |
| 4100                                      | 125         | 69        |           |
| 4180                                      | -180        | 56        | 7         |
| 4190                                      | 132         | 76        | 7         |

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

| Identification code 12-1336-0-1-351                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| Guaranteed loan levels supportable by subsidy budget authority: |             |           |           |
| 215001 GSM 102                                                  | 4,767       | 5,400     | 5,400     |
| 215003 Export guarantee program—Facilities                      |             | 100       | 100       |
| 215999 Total loan guarantee levels                              | 4,767       | 5,500     | 5,500     |
| Guaranteed loan subsidy (in percent):                           |             |           |           |
| 232001 GSM 102                                                  | -0.86       | -0.69     | -0.74     |
| 232003 Export guarantee program—Facilities                      |             | -4.64     | -4.65     |
| 232999 Weighted average subsidy rate                            | -0.86       | -0.76     | -0.81     |
| Guaranteed loan subsidy budget authority:                       |             |           |           |
| 233001 GSM 102                                                  | -41         | -37       | -40       |
| 233003 Export guarantee program—Facilities                      |             | -5        | -5        |
| 233999 Total subsidy budget authority                           | -41         | -42       | -45       |
| Guaranteed loan subsidy outlays:                                |             |           |           |
| 234001 GSM 102                                                  | -38         | -38       | -38       |
| 234999 Total subsidy outlays                                    | -38         | -38       | -38       |
| Guaranteed loan upward reestimates:                             |             |           |           |
| 235001 GSM 102                                                  | 97          | 65        |           |
| 235002 Supplier Credit                                          | 28          | 4         |           |
| 235999 Total upward reestimate budget authority                 | 125         | 69        |           |
| Guaranteed loan downward reestimates:                           |             |           |           |
| 237001 GSM 102                                                  | -185        | -4        |           |
| 237002 Supplier Credit                                          | -3          | -3        |           |
| 237999 Total downward reestimate subsidy budget authority       | -188        | -7        |           |
| Administrative expense data:                                    |             |           |           |
| 3510 Budget authority                                           | 7           | 7         | 7         |
| 3590 Outlays from new authority                                 | 7           | 7         | 7         |

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

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

The subsidy estimates for the GSM-102 program are determined in large part by the obligor's sovereign or non-sovereign country risk grade. These grades are developed annually by the International Credit Risk Assessment System Committee (ICRAS). In unusual circumstances, an ICRAS grade for a country may change during the fiscal year. The default estimates for GSM-102 guarantees still use the ICRAS grades, but are now based on programmatic experience and country-specific assumptions rather than the government-wide risk premia used previously.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the credit guarantees committed in 1992 and beyond (including modifications of credit guarantees that resulted from obligations or commitments in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis. The 2013 Budget displays the GSM loan guarantee volume, the subsidy level that can be justified by forecast economic condi-



tions, and the expected supply/demand conditions of countries requesting GSM loan guarantees. The 2013 Budget includes \$6.8 million for administrative expenses, the same as the 2012 enacted level.

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

| Identification code 12-1336-0-1-351                      | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                               |             |           |           |
| 25.3 Other goods and services from Federal sources ..... | 7           | 7         | 7         |
| 41.0 Grants, subsidies, and contributions .....          | 125         | 69        | .....     |
| 99.9 Total new obligations .....                         | 132         | 76        | 7         |

**COMMODITY CREDIT CORPORATION EXPORT GUARANTEE FINANCING ACCOUNT**

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

| Identification code 12-4337-0-3-351                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                            |             |           |           |
| <b>Credit program obligations:</b>                                 |             |           |           |
| 0711 Default claim payments on principal .....                     | 178         | 161       | 92        |
| 0713 Payment of interest to Treasury .....                         | 32          | 27        | 27        |
| 0715 Pro Rate Share of Claims paid to banks .....                  | .....       | 3         | 3         |
| 0740 Negative subsidy obligations .....                            | 41          | 42        | 45        |
| 0742 Downward reestimate paid to receipt account .....             | 144         | 1         | .....     |
| 0743 Interest on downward reestimates .....                        | 44          | 6         | .....     |
| 0900 Total new obligations .....                                   | 439         | 240       | 167       |
| <b>Budgetary Resources:</b>                                        |             |           |           |
| <b>Unobligated balance:</b>                                        |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....              | 292         | 275       | 409       |
| 1021 Recoveries of prior year unpaid obligations .....             | 1           | .....     | .....     |
| 1023 Unobligated balances applied to repay debt .....              | -171        | .....     | .....     |
| 1050 Unobligated balance (total) .....                             | 122         | 275       | 409       |
| <b>Financing authority:</b>                                        |             |           |           |
| <b>Borrowing authority, mandatory:</b>                             |             |           |           |
| 1400 Borrowing authority .....                                     | 371         | 221       | 126       |
| 1440 Borrowing authority, mandatory (total) .....                  | 371         | 221       | 126       |
| <b>Spending authority from offsetting collections, mandatory:</b>  |             |           |           |
| 1800 Collected .....                                               | 221         | 153       | 93        |
| 1850 Spending auth from offsetting collections, mand (total) ..... | 221         | 153       | 93        |
| 1900 Financing authority(total) .....                              | 592         | 374       | 219       |
| 1930 Total budgetary resources available .....                     | 714         | 649       | 628       |
| <b>Memorandum (non-add) entries:</b>                               |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....              | 275         | 409       | 461       |

**Change in obligated balance:**

|                                                                   |      |       |       |
|-------------------------------------------------------------------|------|-------|-------|
| <b>Obligated balance, start of year (net):</b>                    |      |       |       |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 13   | 18    | 18    |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -115 | -115  | -115  |
| 3020 Obligated balance, start of year (net) .....                 | -102 | -97   | -97   |
| 3030 Obligations incurred, unexpired accounts .....               | 439  | 240   | 167   |
| 3040 Financing disbursements (gross) .....                        | -433 | -240  | -167  |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -1   | ..... | ..... |
| <b>Obligated balance, end of year (net):</b>                      |      |       |       |
| 3090 Unpaid obligations, end of year (gross) .....                | 18   | 18    | 18    |
| 3091 Uncollected pymts, Fed sources, end of year .....            | -115 | -115  | -115  |
| 3100 Obligated balance, end of year (net) .....                   | -97  | -97   | -97   |

**Financing authority and disbursements, net:**

|                                                                     |       |       |       |
|---------------------------------------------------------------------|-------|-------|-------|
| <b>Mandatory:</b>                                                   |       |       |       |
| 4090 Financing authority, gross .....                               | 592   | 374   | 219   |
| <b>Financing disbursements:</b>                                     |       |       |       |
| 4110 Financing disbursements, gross .....                           | 433   | 240   | 167   |
| <b>Offsets against gross financing authority and disbursements:</b> |       |       |       |
| <b>Offsetting collections (collected) from:</b>                     |       |       |       |
| 4120 Payments from Program Account Upward Reestimate .....          | ..... | -69   | ..... |
| 4120 Payments from Program Account Upward Reestimate .....          | -125  | ..... | ..... |
| 4122 Interest on uninvested funds .....                             | -8    | -3    | -3    |
| 4123 Loan origination fee .....                                     | -31   | -33   | -43   |
| 4123 Principal collections .....                                    | -24   | -30   | -30   |
| 4123 Interest collections .....                                     | -27   | -18   | -17   |
| 4123 Other collections .....                                        | -6    | ..... | ..... |

|                                                                           |      |      |     |
|---------------------------------------------------------------------------|------|------|-----|
| 4130 Offsets against gross financing auth and disbursements (total) ..... | -221 | -153 | -93 |
| 4160 Financing authority, net (mandatory) .....                           | 371  | 221  | 126 |
| 4170 Financing disbursements, net (mandatory) .....                       | 212  | 87   | 74  |
| 4180 Financing authority, net (total) .....                               | 371  | 221  | 126 |
| 4190 Financing disbursements, net (total) .....                           | 212  | 87   | 74  |

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

| Identification code 12-4337-0-3-351                                                      | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Position with respect to appropriations act limitation on commitments:</b>            |             |           |           |
| 2131 Guaranteed loan commitments exempt from limitation .....                            | 4,767       | 5,500     | 5,500     |
| 2150 Total guaranteed loan commitments .....                                             | 4,767       | 5,500     | 5,500     |
| 2199 Guaranteed amount of guaranteed loan commitments .....                              | 4,672       | 5,387     | 5,387     |
| <b>Cumulative balance of guaranteed loans outstanding:</b>                               |             |           |           |
| 2210 Outstanding, start of year .....                                                    | 7,045       | 6,115     | 6,665     |
| 2231 Disbursements of new guaranteed loans .....                                         | 4,767       | 5,500     | 5,500     |
| 2251 Repayments and prepayments .....                                                    | -5,518      | -4,789    | -5,198    |
| 2263 Adjustments: Terminations for default that result in claim payments .....           | -179        | -161      | -92       |
| 2290 Outstanding, end of year .....                                                      | 6,115       | 6,665     | 6,875     |
| <b>Memorandum:</b>                                                                       |             |           |           |
| 2299 Guaranteed amount of guaranteed loans outstanding, end of year .....                | 5,992       | 6,531     | 6,738     |
| <b>Addendum:</b>                                                                         |             |           |           |
| <b>Cumulative balance of defaulted guaranteed loans that result in loans receivable:</b> |             |           |           |
| 2310 Outstanding, start of year .....                                                    | 731         | 870       | 1,001     |
| 2331 Disbursements for guaranteed loan claims .....                                      | 179         | 161       | 92        |
| 2351 Repayments of loans receivable .....                                                | -40         | -30       | -30       |
| 2390 Outstanding, end of year .....                                                      | 870         | 1,001     | 1,063     |

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

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

| Identification code 12-4337-0-3-351                                                             | 2010 actual | 2011 actual |
|-------------------------------------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                                                  |             |             |
| <b>Federal assets:</b>                                                                          |             |             |
| 1101 Fund balances with Treasury .....                                                          | 190         | 178         |
| 1101 Accounts Receivable, net .....                                                             | 127         | 78          |
| <b>Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:</b> |             |             |
| 1501 Defaulted guaranteed loans receivable, gross .....                                         | 731         | 870         |
| 1502 Interest receivable .....                                                                  | 10          | 11          |
| 1505 Allowance for subsidy cost (-) .....                                                       | -226        | -286        |
| 1599 Net present value of assets related to defaulted guaranteed loans .....                    | 515         | 595         |
| 1999 Total assets .....                                                                         | 832         | 851         |
| <b>LIABILITIES:</b>                                                                             |             |             |
| <b>Federal liabilities:</b>                                                                     |             |             |
| 2101 Accounts payable .....                                                                     | 1           | 1           |
| 2104 Resources payable to Treasury .....                                                        | 831         | 705         |
| <b>Non-Federal liabilities:</b>                                                                 |             |             |
| 2204 Liabilities for loan guarantees .....                                                      | .....       | 115         |
| 2207 Other .....                                                                                | .....       | 30          |
| 2999 Total liabilities .....                                                                    | 832         | 851         |
| 4999 Total liabilities and net position .....                                                   | 832         | 851         |

COMMODITY CREDIT CORPORATION GUARANTEED LOANS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4338-0-3-351                  | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>              |             |           |           |
| 0001 Operating Expenses .....                        | 1           | 1         | 1         |
| 0100 Direct program activities, subtotal .....       | 1           | 1         | 1         |
| 0900 Total new obligations (object class 41.0) ..... | 1           | 1         | 1         |

**Budgetary Resources:**

|                                                                                               |     |    |    |
|-----------------------------------------------------------------------------------------------|-----|----|----|
| <b>Unobligated balance:</b>                                                                   |     |    |    |
| 1000 Unobligated balance brought forward, Oct 1 .....                                         |     | 4  |    |
| 1022 Capital transfer of unobligated balances to general fund .....                           |     | -4 |    |
| <b>Budget authority:</b>                                                                      |     |    |    |
| <b>Spending authority from offsetting collections, mandatory:</b>                             |     |    |    |
| 1800 Collected .....                                                                          | 16  | 4  | 8  |
| 1820 Capital transfer of spending authority from offsetting collections to general fund ..... | -11 | -3 | -7 |
| 1850 Spending auth from offsetting collections, mand (total) .....                            | 5   | 1  | 1  |
| 1930 Total budgetary resources available .....                                                | 5   | 1  | 1  |
| <b>Memorandum (non-add) entries:</b>                                                          |     |    |    |
| 1941 Unexpired unobligated balance, end of year .....                                         | 4   |    |    |

**Change in obligated balance:**

|                                                               |   |    |    |
|---------------------------------------------------------------|---|----|----|
| <b>Obligated balance, start of year (net):</b>                |   |    |    |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) ..... | 5 | 6  | 4  |
| 3030 Obligations incurred, unexpired accounts .....           | 1 | 1  | 1  |
| 3040 Outlays (gross) .....                                    |   | -3 | -3 |
| <b>Obligated balance, end of year (net):</b>                  |   |    |    |
| 3090 Unpaid obligations, end of year (gross) .....            | 6 | 4  | 2  |
| 3100 Obligated balance, end of year (net) .....               | 6 | 4  | 2  |

**Budget authority and outlays, net:**

|                                                            |     |    |    |
|------------------------------------------------------------|-----|----|----|
| <b>Mandatory:</b>                                          |     |    |    |
| 4090 Budget authority, gross .....                         | 5   | 1  | 1  |
| <b>Outlays, gross:</b>                                     |     |    |    |
| 4100 Outlays from new mandatory authority .....            |     | 1  | 1  |
| 4101 Outlays from mandatory balances .....                 |     | 2  | 2  |
| 4110 Outlays, gross (total) .....                          |     | 3  | 3  |
| <b>Offsets against gross budget authority and outlays:</b> |     |    |    |
| <b>Offsetting collections (collected) from:</b>            |     |    |    |
| 4123 Non-Federal sources .....                             | -16 | -4 | -8 |
| 4180 Budget authority, net (total) .....                   | -11 | -3 | -7 |
| 4190 Outlays, net (total) .....                            | -16 | -1 | -5 |

Status of Guaranteed Loans (in millions of dollars)

| Identification code 12-4338-0-3-351                                                      | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Addendum:</b>                                                                         |             |           |           |
| <b>Cumulative balance of defaulted guaranteed loans that result in loans receivable:</b> |             |           |           |
| 2310 Outstanding, start of year .....                                                    | 134         | 124       | 116       |
| 2351 Repayments of loans receivable .....                                                | -10         | -8        | -8        |
| 2390 Outstanding, end of year .....                                                      | 124         | 116       | 108       |

This account includes amounts for activities previously funded in the Commodity Credit Corporation Fund.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from loan guarantees committed prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond is recorded in corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

| Identification code 12-4338-0-3-351                                     | 2010 actual | 2011 actual |
|-------------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                          |             |             |
| 1101 Federal assets: Fund balances with Treasury .....                  | 5           | 11          |
| 1701 Defaulted guaranteed loans, gross .....                            | 134         | 124         |
| 1702 Interest receivable .....                                          | 1           | 1           |
| 1703 Allowance for estimated uncollectible loans and interest (-) ..... | -70         | -75         |
| 1799 Value of assets related to loan guarantees .....                   | 65          | 50          |

|                                               |    |    |
|-----------------------------------------------|----|----|
| 1999 Total assets .....                       | 70 | 61 |
| <b>LIABILITIES:</b>                           |    |    |
| <b>Federal liabilities:</b>                   |    |    |
| 2101 Accounts payable .....                   | 5  | 6  |
| 2104 Resources payable to Treasury .....      | 65 | 40 |
| 2999 Total liabilities .....                  | 70 | 46 |
| <b>NET POSITION:</b>                          |    |    |
| 3300 Cumulative results of operations .....   |    | 15 |
| 4999 Total liabilities and net position ..... | 70 | 61 |

FARM STORAGE FACILITY LOANS PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-3301-0-1-351                       | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                   |             |           |           |
| <b>Credit program obligations:</b>                        |             |           |           |
| 0705 Reestimates of direct loan subsidy .....             | 4           | 4         |           |
| 0706 Interest on reestimates of direct loan subsidy ..... | 3           | 3         |           |
| 0900 Total new obligations (object class 41.0) .....      | 7           | 7         |           |

**Budgetary Resources:**

|                                                                     |    |   |  |
|---------------------------------------------------------------------|----|---|--|
| <b>Unobligated balance:</b>                                         |    |   |  |
| 1000 Unobligated balance brought forward, Oct 1 .....               | 1  |   |  |
| 1022 Capital transfer of unobligated balances to general fund ..... | -1 |   |  |
| <b>Budget authority:</b>                                            |    |   |  |
| <b>Appropriations, mandatory:</b>                                   |    |   |  |
| 1200 Appropriation .....                                            | 7  | 7 |  |
| 1260 Appropriations, mandatory (total) .....                        | 7  | 7 |  |
| 1930 Total budgetary resources available .....                      | 7  | 7 |  |

**Change in obligated balance:**

|                                                     |    |    |  |
|-----------------------------------------------------|----|----|--|
| 3030 Obligations incurred, unexpired accounts ..... | 7  | 7  |  |
| 3040 Outlays (gross) .....                          | -7 | -7 |  |

**Budget authority and outlays, net:**

|                                                 |   |   |  |
|-------------------------------------------------|---|---|--|
| <b>Mandatory:</b>                               |   |   |  |
| 4090 Budget authority, gross .....              | 7 | 7 |  |
| <b>Outlays, gross:</b>                          |   |   |  |
| 4100 Outlays from new mandatory authority ..... | 7 | 7 |  |
| 4180 Budget authority, net (total) .....        | 7 | 7 |  |
| 4190 Outlays, net (total) .....                 | 7 | 7 |  |

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

| Identification code 12-3301-0-1-351                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct loan levels supportable by subsidy budget authority:</b> |             |           |           |
| 115001 Farm Storage Facility Loans .....                           | 250         | 300       | 300       |
| 115002 Sugar Storage Facility Loans .....                          |             | 3         | 3         |
| 115999 Total direct loan levels .....                              | 250         | 303       | 303       |
| <b>Direct loan subsidy (in percent):</b>                           |             |           |           |
| 132001 Farm Storage Facility Loans .....                           | -2.01       | -2.30     | -2.46     |
| 132002 Sugar Storage Facility Loans .....                          |             | -0.34     | -3.30     |
| 132999 Weighted average subsidy rate .....                         | -2.01       | -2.28     | -2.47     |
| <b>Direct loan subsidy budget authority:</b>                       |             |           |           |
| 133001 Farm Storage Facility Loans .....                           | -5          | -7        | -7        |
| 133999 Total subsidy budget authority .....                        | -5          | -7        | -7        |
| <b>Direct loan subsidy outlays:</b>                                |             |           |           |
| 134001 Farm Storage Facility Loans .....                           | -3          | -7        | -7        |
| 134999 Total subsidy outlays .....                                 | -3          | -7        | -7        |
| <b>Direct loan upward reestimates:</b>                             |             |           |           |
| 135001 Farm Storage Facility Loans .....                           | 7           | 8         |           |
| 135999 Total upward reestimate budget authority .....              | 7           | 8         |           |
| <b>Direct loan downward reestimates:</b>                           |             |           |           |
| 137001 Farm Storage Facility Loans .....                           | -27         | -14       |           |
| 137999 Total downward reestimate budget authority .....            | -27         | -14       |           |

**Farm Storage Facility Loan (FSFL) Program.**—The FSFL program was established by the Commodity Credit Corporation (CCC) in 1949 to offer low-cost financing to producers for the construction or upgrade of on-farm storage facilities—the program

was discontinued in the early 1980's when studies showed sufficient storage space was available. The FSFL was re-established in 2000 due to a severe shortage of available storage. The program was implemented in 2000 by CCC under Section 504(c) of the Federal Credit Reform Act of 1990. The Food, Conservation and Energy Act of 2008 expanded the loan limits, term limits, and eligible commodities for which facilities can be financed by the program. The program now provides producers financing with seven, ten, or twelve-year repayment terms and low interest rates. The program gives producers greater marketing flexibility when farm storage is limited and/or transportation difficulties cause storage problems, allows farmers to benefit from new marketing and technological advances, and maximizes their returns through identity-preserved marketing.

**Sugar Storage Facility Loans.**—The 2002 Farm Bill, as amended by the 2008 Farm Bill, directs that the CCC establish a sugar storage facility loan program to provide financing for processors of domestically produced sugarcane and sugar beets to construct or upgrade storage and handling facilities for raw sugars and refined sugars. The loan term is a minimum of seven years with the amount and terms being determined as any other commercial loan.

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with the direct loans obligated in 1992 and beyond, as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis, and the administrative expenses are estimated on a cash basis.

FARM STORAGE FACILITY DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4158-0-3-351                                             | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                         |             |           |           |
| Credit program obligations:                                                     |             |           |           |
| 0710 Direct loan obligations .....                                              | 250         | 303       | 303       |
| 0713 Payment of interest to Treasury .....                                      | 30          | 40        | 40        |
| 0740 Negative subsidy obligations .....                                         | 5           | 7         | 7         |
| 0742 Downward reestimate paid to receipt account .....                          | 23          | 10        | .....     |
| 0743 Interest on downward reestimates .....                                     | 4           | 4         | .....     |
| 0900 Total new obligations .....                                                | 312         | 364       | 350       |
| <b>Budgetary Resources:</b>                                                     |             |           |           |
| Unobligated balance:                                                            |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                           | 86          | 123       | 230       |
| 1021 Recoveries of prior year unpaid obligations .....                          | 38          | .....     | .....     |
| 1023 Unobligated balances applied to repay debt .....                           | -46         | -50       | .....     |
| 1050 Unobligated balance (total) .....                                          | 78          | 73        | 230       |
| Financing authority:                                                            |             |           |           |
| Borrowing authority, mandatory:                                                 |             |           |           |
| 1400 Borrowing authority .....                                                  | 314         | 350       | 350       |
| 1440 Borrowing authority, mandatory (total) .....                               | 314         | 350       | 350       |
| Spending authority from offsetting collections, mandatory:                      |             |           |           |
| 1800 Payments from program account .....                                        | 7           | 7         | .....     |
| 1800 Principal repayments .....                                                 | 125         | 166       | 166       |
| 1800 Interest repayments .....                                                  | 18          | 30        | 30        |
| 1800 Interest on Uninvested Funds .....                                         | 14          | 17        | 17        |
| 1800 Fees and Other Collections .....                                           | 4           | 1         | 1         |
| 1825 Spending authority from offsetting collections applied to repay debt ..... | -125        | -50       | -50       |
| 1850 Spending auth from offsetting collections, mand (total) .....              | 43          | 171       | 164       |
| 1900 Financing authority (total) .....                                          | 357         | 521       | 514       |
| 1930 Total budgetary resources available .....                                  | 435         | 594       | 744       |
| Memorandum (non-add) entries:                                                   |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                           | 123         | 230       | 394       |
| <b>Change in obligated balance:</b>                                             |             |           |           |
| Obligated balance, start of year (net):                                         |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....                   | 225         | 192       | 192       |

|                                                              |                                                                      |      |       |       |
|--------------------------------------------------------------|----------------------------------------------------------------------|------|-------|-------|
| 3010                                                         | Uncollected pymts, Fed sources, brought forward, Oct 1 .....         | -1   | -1    | -1    |
| 3020                                                         | Obligated balance, start of year (net) .....                         | 224  | 191   | 191   |
| 3030                                                         | Obligations incurred, unexpired accounts .....                       | 312  | 364   | 350   |
| 3040                                                         | Financing disbursements (gross) .....                                | -307 | -364  | -350  |
| 3080                                                         | Recoveries of prior year unpaid obligations, unexpired .....         | -38  | ..... | ..... |
| Obligated balance, end of year (net):                        |                                                                      |      |       |       |
| 3090                                                         | Unpaid obligations, end of year (gross) .....                        | 192  | 192   | 192   |
| 3091                                                         | Uncollected pymts, Fed sources, end of year .....                    | -1   | -1    | -1    |
| 3100                                                         | Obligated balance, end of year (net) .....                           | 191  | 191   | 191   |
| <b>Financing authority and disbursements, net:</b>           |                                                                      |      |       |       |
| Mandatory:                                                   |                                                                      |      |       |       |
| 4090                                                         | Financing authority, gross .....                                     | 357  | 521   | 514   |
| Financing disbursements:                                     |                                                                      |      |       |       |
| 4110                                                         | Financing disbursements, gross .....                                 | 307  | 364   | 350   |
| Offsets against gross financing authority and disbursements: |                                                                      |      |       |       |
| Offsetting collections (collected) from:                     |                                                                      |      |       |       |
| 4120                                                         | Payment from program account Upward Reestimate .....                 | -7   | -7    | ..... |
| 4122                                                         | Interest on uninvested funds .....                                   | -14  | -17   | -17   |
| 4123                                                         | Principal collections .....                                          | -125 | -166  | -166  |
| 4123                                                         | Interest collections .....                                           | -18  | -30   | -30   |
| 4123                                                         | Fees and Other Collections .....                                     | -4   | -1    | -1    |
| 4130                                                         | Offsets against gross financing auth and disbursements (total) ..... | -168 | -221  | -214  |
| 4160                                                         | Financing authority, net (mandatory) .....                           | 189  | 300   | 300   |
| 4170                                                         | Financing disbursements, net (mandatory) .....                       | 139  | 143   | 136   |
| 4180                                                         | Financing authority, net (total) .....                               | 189  | 300   | 300   |
| 4190                                                         | Financing disbursements, net (total) .....                           | 139  | 143   | 136   |

Status of Direct Loans (in millions of dollars)

| Identification code 12-4158-0-3-351                                    | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|-------------|-----------|-----------|
| Position with respect to appropriations act limitation on obligations: |             |           |           |
| 1131 Direct loan obligations exempt from limitation .....              | 250         | 303       | 303       |
| 1150 Total direct loan obligations .....                               | 250         | 303       | 303       |
| Cumulative balance of direct loans outstanding:                        |             |           |           |
| 1210 Outstanding, start of year .....                                  | 548         | 671       | 834       |
| 1231 Disbursements: Direct loan disbursements .....                    | 248         | 304       | 304       |
| 1251 Repayments: Repayments and prepayments .....                      | -125        | -141      | -141      |
| 1290 Outstanding, end of year .....                                    | 671         | 834       | 997       |

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

Balance Sheet (in millions of dollars)

| Identification code 12-4158-0-3-351                               | 2010 actual | 2011 actual |
|-------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                    |             |             |
| Federal assets:                                                   |             |             |
| 1101 Fund balances with Treasury .....                            | 311         | 314         |
| Investments in US securities:                                     |             |             |
| 1106 Receivables, net .....                                       | 7           | 8           |
| Net value of assets related to post-1991 direct loans receivable: |             |             |
| 1401 Direct loans receivable, gross .....                         | 548         | 671         |
| 1402 Interest receivable .....                                    | 40          | 49          |
| 1405 Allowance for subsidy cost (-) .....                         | -25         | -30         |
| 1499 Net present value of assets related to direct loans .....    | 563         | 690         |
| 1999 Total assets .....                                           | 881         | 1,012       |
| <b>LIABILITIES:</b>                                               |             |             |
| Federal liabilities:                                              |             |             |
| 2103 Debt payable to Treasury .....                               | 854         | 997         |
| 2105 Other Federal Liabilities .....                              | 27          | 15          |
| 2999 Total liabilities .....                                      | 881         | 1,012       |
| 4999 Total liabilities and net position .....                     | 881         | 1,012       |

EMERGENCY BOLL WEEVIL LOAN PROGRAM ACCOUNT

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

| Identification code 12-3303-0-1-351               | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------|-------------|-----------|-----------|
| Direct loan downward reestimates:                 |             |           |           |
| 137001 Emergency Boll Weevil and Apple Loans      |             | -4        |           |
| 137999 Total downward reestimate budget authority |             | -4        |           |

APPLE LOANS PROGRAM ACCOUNT

The Agricultural Risk Protection Act of 2000 authorized up to \$5 million for the cost to provide loans to producers of apples for economic losses as the result of low prices. Although the program is funded through the Commodity Credit Corporation, program management is performed through farm loan programs. No further funding is requested for this program.

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

EMERGENCY BOLL WEEVIL DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4221-0-3-351                          | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                      |             |           |           |
| Credit program obligations:                                  |             |           |           |
| 0742 Downward reestimate paid to receipt account             |             | 2         |           |
| 0743 Interest on downward reestimates                        |             | 2         |           |
| 0900 Total new obligations                                   |             | 4         |           |
| <b>Budgetary Resources:</b>                                  |             |           |           |
| Unobligated balance:                                         |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1              |             | 1         | 1         |
| Financing authority:                                         |             |           |           |
| Borrowing authority, mandatory:                              |             |           |           |
| 1400 Borrowing authority                                     |             | 4         |           |
| 1440 Borrowing authority, mandatory (total)                  |             | 4         |           |
| Spending authority from offsetting collections, mandatory:   |             |           |           |
| 1800 Principal repayments                                    | 1           |           | 1         |
| 1850 Spending auth from offsetting collections, mand (total) | 1           |           | 1         |
| 1900 Financing authority (total)                             | 1           | 4         | 1         |
| 1930 Total budgetary resources available                     | 1           | 5         | 2         |
| Memorandum (non-add) entries:                                |             |           |           |
| 1941 Unexpired unobligated balance, end of year              | 1           | 1         | 2         |
| <b>Change in obligated balance:</b>                          |             |           |           |
| Obligated balance, start of year (net):                      |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross)      |             |           | 4         |
| 3030 Obligations incurred, unexpired accounts                |             | 4         |           |
| Obligated balance, end of year (net):                        |             |           |           |
| 3090 Unpaid obligations, end of year (gross)                 |             | 4         | 4         |
| 3100 Obligated balance, end of year (net)                    |             | 4         | 4         |
| <b>Financing authority and disbursements, net:</b>           |             |           |           |
| Mandatory:                                                   |             |           |           |
| 4090 Financing authority, gross                              | 1           | 4         | 1         |
| Offsets against gross financing authority and disbursements: |             |           |           |
| Offsetting collections (collected) from:                     |             |           |           |
| 4123 Principal repayments                                    | -1          |           | -1        |
| 4180 Financing authority, net (total)                        |             | 4         |           |
| 4190 Financing disbursements, net (total)                    | -1          |           | -1        |

Status of Direct Loans (in millions of dollars)

| Identification code 12-4221-0-3-351             | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------|-------------|-----------|-----------|
| Cumulative balance of direct loans outstanding: |             |           |           |
| 1210 Outstanding, start of year                 | 10          | 9         | 9         |
| 1251 Repayments: Repayments and prepayments     | -1          |           | -1        |
| 1290 Outstanding, end of year                   | 9           | 9         | 8         |

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

Balance Sheet (in millions of dollars)

| Identification code 12-4221-0-3-351                               | 2010 actual | 2011 actual |
|-------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                    |             |             |
| Net value of assets related to post-1991 direct loans receivable: |             |             |
| 1401 Direct loans receivable, gross                               | 10          | 9           |
| 1405 Allowance for subsidy cost (-)                               | -10         | -5          |
| 1499 Net present value of assets related to direct loans          |             | 4           |
| 1999 Total assets                                                 |             | 4           |
| <b>LIABILITIES:</b>                                               |             |             |
| 2101 Federal liabilities: Accounts payable                        |             | 4           |
| 4999 Total liabilities and net position                           |             | 4           |

AGRICULTURAL DISASTER RELIEF FUND

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 12-5531-0-2-351                                    | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year                                            |             |           |           |
| Receipts:                                                              |             |           |           |
| 0200 3.08 Percent of Customs Duties, Agricultural Disaster Relief Fund | 905         |           |           |
| 0400 Total: Balances and collections                                   | 905         |           |           |
| Appropriations:                                                        |             |           |           |
| 0500 Agricultural Disaster Relief Fund                                 | -905        |           |           |
| 0799 Balance, end of year                                              |             |           |           |

Program and Financing (in millions of dollars)

| Identification code 12-5531-0-2-351                                       | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                   |             |           |           |
| 0001 Disaster payments                                                    | 1,018       | 1,264     | 1,372     |
| 0900 Total new obligations (object class 41.0)                            | 1,018       | 1,264     | 1,372     |
| <b>Budgetary Resources:</b>                                               |             |           |           |
| Unobligated balance:                                                      |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1                           | 165         | 485       |           |
| 1012 Unobligated balance transfers between expired and unexpired accounts | 33          |           |           |
| 1050 Unobligated balance (total)                                          | 198         | 485       |           |
| Budget authority:                                                         |             |           |           |
| Appropriations, mandatory:                                                |             |           |           |
| 1201 Appropriation (special or trust fund)                                | 905         |           |           |
| 1260 Appropriations, mandatory (total)                                    | 905         |           |           |
| Borrowing authority, mandatory:                                           |             |           |           |
| 1400 Borrowing authority                                                  | 400         | 779       | 1,372     |
| 1440 Borrowing authority, mandatory (total)                               | 400         | 779       | 1,372     |
| 1900 Budget authority (total)                                             | 1,305       | 779       | 1,372     |
| 1930 Total budgetary resources available                                  | 1,503       | 1,264     | 1,372     |
| Memorandum (non-add) entries:                                             |             |           |           |
| 1941 Unexpired unobligated balance, end of year                           | 485         |           |           |
| Special and non-revolving trust funds:                                    |             |           |           |
| 1952 Expired unobligated balance, start of year                           | 176         | 2         | 2         |

|                                                         |                                                           |        |        |        |
|---------------------------------------------------------|-----------------------------------------------------------|--------|--------|--------|
| 1953                                                    | Expired unobligated balance, end of year .....            | 2      | 2      | 2      |
| <b>Change in obligated balance:</b>                     |                                                           |        |        |        |
| Obligated balance, start of year (net):                 |                                                           |        |        |        |
| 3000                                                    | Unpaid obligations, brought forward, Oct 1 (gross) .....  | 328    | 30     | 23     |
| 3030                                                    | Obligations incurred, unexpired accounts .....            | 1,018  | 1,264  | 1,372  |
| 3031                                                    | Obligations incurred, expired accounts .....              | 150    |        |        |
| 3040                                                    | Outlays (gross) .....                                     | -1,466 | -1,271 | -1,395 |
| Obligated balance, end of year (net):                   |                                                           |        |        |        |
| 3090                                                    | Unpaid obligations, end of year (gross) .....             | 30     | 23     |        |
| 3100                                                    | Obligated balance, end of year (net) .....                | 30     | 23     |        |
| <b>Budget authority and outlays, net:</b>               |                                                           |        |        |        |
| Mandatory:                                              |                                                           |        |        |        |
| 4090                                                    | Budget authority, gross .....                             | 1,305  | 779    | 1,372  |
| Outlays, gross:                                         |                                                           |        |        |        |
| 4100                                                    | Outlays from new mandatory authority .....                | 931    | 756    | 1,372  |
| 4101                                                    | Outlays from mandatory balances .....                     | 535    | 515    | 23     |
| 4110                                                    | Outlays, gross (total) .....                              | 1,466  | 1,271  | 1,395  |
| Offsets against gross budget authority and outlays:     |                                                           |        |        |        |
| Offsetting collections (collected) from:                |                                                           |        |        |        |
| 4123                                                    | Non-Federal sources .....                                 | -9     |        |        |
| Additional offsets against gross budget authority only: |                                                           |        |        |        |
| 4142                                                    | Offsetting collections credited to expired accounts ..... | 9      |        |        |
| 4160                                                    | Budget authority, net (mandatory) .....                   | 1,305  | 779    | 1,372  |
| 4170                                                    | Outlays, net (mandatory) .....                            | 1,457  | 1,271  | 1,395  |
| 4180                                                    | Budget authority, net (total) .....                       | 1,305  | 779    | 1,372  |
| 4190                                                    | Outlays, net (total) .....                                | 1,457  | 1,271  | 1,395  |

The Food, Conservation, and Energy Act of 2008 (2008 Farm Bill), P.L. 110–246, provides for Supplemental Agricultural Disaster Assistance under Sec.12033 and 15101. This includes the Agricultural Disaster Relief Trust Fund, which is composed of amounts equivalent to 3.1 percent of the amounts received in the general fund of the U.S. Treasury during 2008–2011 attributable to the duties collected on articles entered, or withdrawn from warehouse, for consumption under the Harmonized Tariff Schedule of the United States. The fund has authority to borrow and make repayable advances that are such sums as may be necessary to make up the fund's budget authority. Advances to the fund must be repaid with interest to the general fund of the U.S. Treasury when the Secretary of the Treasury determines that funds are available in the trust fund.

Obligations of \$1,018,002,352 were incurred and total outlays were \$1,220,780,832 in 2011, as shown in the table below. Unobligated balances carried over to 2011 of \$165,134,338 and obligated repayable advances of \$400,000,000 provided the funding for 2011 obligations. In 2011, the amount of customs receipts credited to the Agricultural Disaster Relief Trust Fund receipt account totaled \$904,708,177. Available budget authority totaling \$485,094,851 was carried forward into 2012 as an unobligated balance.

**Fiscal Year 2011 Agricultural Disaster Relief Trust Fund Obligations and Outlays**

[In millions of dollars]

| PROGRAMS                                                                                  | OBLIGATIONS | OUTLAYS |
|-------------------------------------------------------------------------------------------|-------------|---------|
| Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP) ..... | 8           | 8       |
| Livestock Forage Disaster Program (LFP) .....                                             | 212         | 207     |
| Livestock Indemnity Program (LIP) .....                                                   | 24          | 23      |
| Supplemental Revenue Assistance Payments (SURE) Program .....                             | 761         | 975     |
| Tree Assistance Program (TAP) .....                                                       | 13          | 9       |
| Subtotal .....                                                                            | 1,018       | 1,222   |
| Unallocated .....                                                                         | 0           | -1      |
| Total .....                                                                               | 1,018       | 1,221   |

Funds from the trust fund may be used to make payments to farmers and ranchers under the following five disaster assistance programs: Supplemental Revenue Assistance Payments (SURE) Program; Livestock Forage Disaster Program (LFP); Livestock Indemnity Program (LIP); Tree Assistance Program (TAP); and

Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP). P.L. 110–246 provides that participants in these disaster assistance programs (excluding LIP) are required to have crop insurance or non-insured crop disaster assistance, or to pay a fee if they are otherwise ineligible. Supplemental Agricultural Disaster Assistance is only effective for losses incurred as the result of a disaster, adverse weather, or other environmental conditions that occurred on or before September 30, 2011.

**Fiscal Year 2011 - Fiscal Year 2013 Agricultural Disaster Relief Trust Fund Outlays**

| PROGRAMS                                                                                  | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP) ..... | 8           | 20        | 0         |
| Livestock Forage Disaster Program (LFP) .....                                             | 207         | 198       | 0         |
| Livestock Indemnity Program (LIP) .....                                                   | 23          | 56        | 0         |
| Supplemental Revenue Assistance Payments (SURE) Program .....                             | 975         | 985       | 1,393     |
| Tree Assistance Program (TAP) .....                                                       | 9           | 5         | 2         |
| SUBTOTAL .....                                                                            | 1,222       | 1,264     | 1,395     |
| Unallocated .....                                                                         | -1          | 0         | 0         |
| TOTAL .....                                                                               | 1,221       | 1,264     | 1,395     |

The American Recovery and Reinvestment Act of 2009 (ARRA) amended the 2008 Farm Bill and the SURE Program to modify the payment formulas for 2008 crops. The ARRA also provided an additional 90 day window for 2008 crops for those producers who did not obtain a policy or plan of insurance or NAP coverage or elect to buy in by September 16, 2008 as authorized under the 2008 Farm Bill. Total ARRA SURE payment outlays made in 2010 were \$578,170,337. An additional \$236,392,421 in ARRA SURE payments were outlaid in fiscal year 2011. There were also \$156,736 of ARRA TAP payments made in 2010.

**Trust Funds**

**TOBACCO TRUST FUND**

**Special and Trust Fund Receipts (in millions of dollars)**

| Identification code 12–8161–0–7–351                                 | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year .....                                   | 1           | 1         | 1         |
| Receipts:                                                           |             |           |           |
| 0200 Excise Taxes for Tobacco Assessments, Tobacco Trust Fund ..... | 932         | 981       | 960       |
| 0400 Total: Balances and collections .....                          | 933         | 982       | 961       |
| Appropriations:                                                     |             |           |           |
| 0500 Tobacco Trust Fund .....                                       | -932        | -981      | -960      |
| 0799 Balance, end of year .....                                     | 1           | 1         | 1         |

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

| Identification code 12–8161–0–7–351                  | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>              |             |           |           |
| 0001 Tobacco Buyout Cost Reimbursement to CCC .....  | 932         | 981       | 960       |
| 0900 Total new obligations (object class 41.0) ..... | 932         | 981       | 960       |
| <b>Budgetary Resources:</b>                          |             |           |           |
| Budget authority:                                    |             |           |           |
| Appropriations, mandatory:                           |             |           |           |
| 1201 Appropriation (special or trust fund) .....     | 932         | 981       | 960       |
| 1260 Appropriations, mandatory (total) .....         | 932         | 981       | 960       |
| 1930 Total budgetary resources available .....       | 932         | 981       | 960       |
| <b>Change in obligated balance:</b>                  |             |           |           |
| 3030 Obligations incurred, unexpired accounts .....  | 932         | 981       | 960       |
| 3040 Outlays (gross) .....                           | -932        | -981      | -960      |
| <b>Budget authority and outlays, net:</b>            |             |           |           |
| Mandatory:                                           |             |           |           |
| 4090 Budget authority, gross .....                   | 932         | 981       | 960       |

**TOBACCO TRUST FUND—Continued**  
**Program and Financing—Continued**

| Identification code 12-8161-0-7-351             | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------|-------------|-----------|-----------|
| Outlays, gross:                                 |             |           |           |
| 4100 Outlays from new mandatory authority ..... | 932         | 981       | 960       |
| 4180 Budget authority, net (total) .....        | 932         | 981       | 960       |
| 4190 Outlays, net (total) .....                 | 932         | 981       | 960       |

**NATURAL RESOURCES CONSERVATION SERVICE**

**Federal Funds**

**CONSERVATION OPERATIONS**

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water, and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed \$100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, **[\$828,159,000]** \$827,500,000, to remain available until September 30, **[2013, of which \$12,500,000 shall be for the Common Computing Environment]** 2014: *Provided*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed \$250,000: *Provided further*, That when buildings or other structures are erected on non-Federal land, that the right to use such land is obtained as provided in 7 U.S.C. 2250a. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

**Special and Trust Fund Receipts** (in millions of dollars)

| Identification code 12-1000-0-1-302            | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year .....              |             |           |           |
| Receipts:                                      |             |           |           |
| 0220 NRCS Fees for Conservation Planning ..... |             |           | 22        |
| 0400 Total: Balances and collections .....     |             |           | 22        |
| 0799 Balance, end of year .....                |             |           | 22        |

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

| Identification code 12-1000-0-1-302          | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>      |             |           |           |
| 0001 Technical assistance .....              | 797         | 737       | 729       |
| 0002 Soil surveys .....                      | 94          | 84        | 80        |
| 0003 Snow survey and water forecasting ..... | 11          | 10        | 9         |
| 0004 Plant materials centers .....           | 11          | 10        | 10        |
| 0799 Total direct obligations .....          | 913         | 841       | 828       |
| 0801 EPA Great Lakes - Reimbursable .....    | 9           | 6         | 6         |
| 0802 Reimbursable program activity .....     | 35          | 34        | 34        |
| 0899 Total reimbursable obligations .....    | 44          | 40        | 40        |
| 0900 Total new obligations .....             | 957         | 881       | 868       |

**Budgetary Resources:**

|                                                        |     |     |     |
|--------------------------------------------------------|-----|-----|-----|
| <b>Unobligated balance:</b>                            |     |     |     |
| 1000 Unobligated balance brought forward, Oct 1 .....  | 70  | 33  | 20  |
| 1021 Recoveries of prior year unpaid obligations ..... | 12  |     |     |
| 1050 Unobligated balance (total) .....                 | 82  | 33  | 20  |
| <b>Budget authority:</b>                               |     |     |     |
| <b>Appropriations, discretionary:</b>                  |     |     |     |
| 1100 Appropriation .....                               | 872 | 828 | 827 |

|                                                                       |     |     |     |
|-----------------------------------------------------------------------|-----|-----|-----|
| 1130 Appropriations permanently reduced .....                         | -2  |     |     |
| 1160 Appropriation, discretionary (total) .....                       | 870 | 828 | 827 |
| <b>Spending authority from offsetting collections, discretionary:</b> |     |     |     |
| 1700 Collected .....                                                  | 36  | 40  | 40  |
| 1701 Change in uncollected payments, Federal sources .....            | 3   |     |     |
| 1750 Spending auth from offsetting collections, disc (total) .....    | 39  | 40  | 40  |
| 1900 Budget authority (total) .....                                   | 909 | 868 | 867 |
| 1930 Total budgetary resources available .....                        | 991 | 901 | 887 |
| <b>Memorandum (non-add) entries:</b>                                  |     |     |     |
| 1940 Unobligated balance expiring .....                               | -1  |     |     |
| 1941 Unexpired unobligated balance, end of year .....                 | 33  | 20  | 19  |

**Change in obligated balance:**

|                                                                   |      |      |      |
|-------------------------------------------------------------------|------|------|------|
| <b>Obligated balance, start of year (net):</b>                    |      |      |      |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 261  | 289  | 203  |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -36  | -35  | -35  |
| 3020 Obligated balance, start of year (net) .....                 | 225  | 254  | 168  |
| 3030 Obligations incurred, unexpired accounts .....               | 957  | 881  | 868  |
| 3031 Obligations incurred, expired accounts .....                 | 7    |      |      |
| 3040 Outlays (gross) .....                                        | -912 | -967 | -856 |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....    | -3   |      |      |
| 3051 Change in uncollected pymts, Fed sources, expired .....      | 4    |      |      |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -12  |      |      |
| 3081 Recoveries of prior year unpaid obligations, expired .....   | -12  |      |      |
| <b>Obligated balance, end of year (net):</b>                      |      |      |      |
| 3090 Unpaid obligations, end of year (gross) .....                | 289  | 203  | 215  |
| 3091 Uncollected pymts, Fed sources, end of year .....            | -35  | -35  | -35  |
| 3100 Obligated balance, end of year (net) .....                   | 254  | 168  | 180  |

**Budget authority and outlays, net:**

|                                                                     |     |     |     |
|---------------------------------------------------------------------|-----|-----|-----|
| <b>Discretionary:</b>                                               |     |     |     |
| 4000 Budget authority, gross .....                                  | 909 | 868 | 867 |
| <b>Outlays, gross:</b>                                              |     |     |     |
| 4010 Outlays from new discretionary authority .....                 | 708 | 741 | 740 |
| 4011 Outlays from discretionary balances .....                      | 204 | 226 | 116 |
| 4020 Outlays, gross (total) .....                                   | 912 | 967 | 856 |
| <b>Offsets against gross budget authority and outlays:</b>          |     |     |     |
| <b>Offsetting collections (collected) from:</b>                     |     |     |     |
| 4030 Federal sources .....                                          | -34 | -31 | -31 |
| 4033 Non-Federal sources .....                                      | -3  | -9  | -9  |
| 4040 Offsets against gross budget authority and outlays (total) ... | -37 | -40 | -40 |
| <b>Additional offsets against gross budget authority only:</b>      |     |     |     |
| 4050 Change in uncollected pymts, Fed sources, unexpired .....      | -3  |     |     |
| 4052 Offsetting collections credited to expired accounts .....      | 1   |     |     |
| 4060 Additional offsets against budget authority only (total) ..... | -2  |     |     |
| 4070 Budget authority, net (discretionary) .....                    | 870 | 828 | 827 |
| 4080 Outlays, net (discretionary) .....                             | 875 | 927 | 816 |
| 4180 Budget authority, net (total) .....                            | 870 | 828 | 827 |
| 4190 Outlays, net (total) .....                                     | 875 | 927 | 816 |

**Technical assistance.**—Through the Conservation Technical Assistance (CTA) Program, NRCS provides agricultural producers, private landowners, conservation districts, Tribes, and other organizations with the knowledge and conservation tools they need to conserve, maintain, and improve our natural resources. This assistance comes in the form of both individual and landscape-scale conservation plans which contain optimal strategies tailored to protect the resources on the land they manage. Actions described in the plans help land managers reduce erosion; protect water quality and quantity; address air quality; enhance the quality of fish and wildlife habitat; improve long-term sustainability of all lands; and facilitate land use changes while protecting and sustaining our natural resources. In addition, legislation will be submitted for a user fee that helps cover the costs of conservation planning services. The 2013 Budget requests \$728.8 million, a decrease of \$0.6 million from the 2012 enacted level.

**MAIN WORKLOAD FACTORS**

|                                                                                   | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------------------------|-------------|-----------|-----------|
| Customers receiving technical assistance for planning & application, number ..... | 81,470      | 78,000    | 78,000    |
| Conservation systems planned, million acres .....                                 | 28.9        | 27.9      | 27.9      |
| Cropland with conservation applied to improve soil quality, million acres .....   | 8.2         | 7.3       | 7.3       |

|                                                                                          |      |      |      |
|------------------------------------------------------------------------------------------|------|------|------|
| Grazing land with conservation applied to protect the resource base, million acres ..... | 16.4 | 14.5 | 14.5 |
|------------------------------------------------------------------------------------------|------|------|------|

In addition to technical assistance for conservation planning provided through CTA, NRCS also offers technical assistance for the design, implementation, and management of cost-shared conservation practices through mandatory farm bill conservation programs under the Farm Security and Rural Investment Program. This combined technical assistance funding provides for the salaries and expenses of conservation professionals, including NRCS's extensive field staff and a growing number of technical service providers and other cooperators who work with land managers in assessing and applying conservation strategies. The following table is intended to provide a more complete summary of total Federal support for private lands conservation efforts as well as the Federal and non-Federal staff capacity supported by these technical assistance investments.

**Conservation Operations and Farm Bill Combined Object Classification (in millions of dollars)**

| Identification code 12-1000-0-1-302/12-1004-0-1-302              | 2011 Actual  | 2012 CY      | 2013 BY      |
|------------------------------------------------------------------|--------------|--------------|--------------|
| <b>Direct obligations:</b>                                       |              |              |              |
| <b>Personnel compensation:</b>                                   |              |              |              |
| 11.10 Full-time permanent .....                                  | 664          | 649          | 646          |
| 11.30 Other than full-time permanent .....                       | 12           | 11           | 11           |
| 11.50 Other personnel compensation .....                         | 17           | 17           | 17           |
| 11.90 Total personnel compensation .....                         | 693          | 677          | 674          |
| 12.10 Civilian personnel benefits .....                          | 226          | 222          | 221          |
| 13.00 Benefits for former personnel .....                        | 3            | 3            | 3            |
| 21.00 Travel and transportation of persons .....                 | 24           | 24           | 24           |
| 22.00 Transportation of things .....                             | 5            | 5            | 5            |
| 23.20 Rental payments to others .....                            | 39           | 39           | 39           |
| 23.30 Communications, utilities, and miscellaneous charges ..... | 31           | 30           | 30           |
| 24.00 Printing and reproduction .....                            | 1            | 1            | 1            |
| 25.20 Other services from non-federal sources .....              | 361          | 354          | 349          |
| 26.00 Supplies and materials .....                               | 27           | 32           | 32           |
| 31.00 Equipment .....                                            | 44           | 54           | 55           |
| 32.00 Land and structures .....                                  | 604          | 701          | 239          |
| 41.00 Grants, subsidies, and contributions .....                 | 1,933        | 2,167        | 2,328        |
| <b>Subtotal, obligations, direct obligations .....</b>           | <b>3,991</b> | <b>4,309</b> | <b>4,000</b> |
| <b>Reimbursable obligations:</b>                                 |              |              |              |
| <b>Direct obligations:</b>                                       |              |              |              |
| 21.10 Full-time permanent .....                                  | 69           | 49           | 62           |
| 21.30 Other than full-time permanent .....                       | 1            | 1            | 1            |
| 21.50 Other Personnel compensation .....                         | 2            | 2            | 2            |
| 21.90 Total personnel compensation .....                         | 72           | 52           | 65           |
| 22.10 Civilian personnel benefits .....                          | 24           | 17           | 21           |
| 21.00 Travel and transportation of persons .....                 | 2            | 1            | 1            |
| 23.20 Rental payments to others .....                            | 4            | 3            | 4            |
| 23.30 communications, utilities, and miscellaneous charges ..... | 14           | 11           | 12           |
| 25.20 Other services from non-federal sources .....              | 45           | 32           | 40           |
| 26.00 Supplies and materials .....                               | 2            | 1            | 2            |
| 31.00 Equipment .....                                            | 6            | 5            | 5            |
| 41.00 Grants, subsidies and contributions .....                  | 15           | 17           | 17           |
| <b>Subtotal, obligations, reimbursable obligations .....</b>     | <b>184</b>   | <b>139</b>   | <b>167</b>   |
| <b>Total new obligations .....</b>                               | <b>4,175</b> | <b>4,448</b> | <b>4,167</b> |

Object class 41.00 includes grants to partner organizations in support of landscape-scale conservation initiatives.

**Employment Summary**

| Identification code 12-1000-0-1-302/12-1004-0-1-302                 | 2011 Actual | 2012 CY | 2013 BY |
|---------------------------------------------------------------------|-------------|---------|---------|
| 1001.00 Direct Civilian full-time equivalent employment .....       | 10,074      | 9,903   | 9,679   |
| 2001.00 Reimbursable civilian full-time equivalent employment ..... | 1,142       | 781     | 968     |

**Soil surveys.**—The primary focus of the Soil Survey Program is to provide current and consistent map interpretations and data sets of the soil resources of the United States. Managing soil as a strategic natural resource is a key component to the vitality of the Nation's rural economies. Scientists and policy makers use soil survey information in studying climate change and evaluating the sustainability and environmental impacts of land use and management practices. Soil surveys are used by planners, engineers, farmers, ranchers, developers, and home owners to evaluate soil suitability and make management decisions for farms, home

sites, subdivisions, commercial and industrial sites, and wildlife and recreational areas. NRCS is the lead Federal agency for the National Cooperative Soil Survey (NCSS), a partnership of Federal land management agencies, State agricultural experiment stations, private consultants, and State and local governments. NRCS provides the scientific expertise to enable the NCSS to develop and maintain a uniform system for mapping and assessing soil resources. The 2013 Budget maintains the 2012 enacted level of \$80 million.

**MAIN WORKLOAD FACTORS**

|                                        | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------|-------------|-----------|-----------|
| Acres mapped annually (millions) ..... | 34.8        | 36        | 35        |

**Snow survey and water supply forecasting.**—The water supply forecasts are used by individuals, Tribes, organizations, and government for decisions relating to agricultural production, hydroelectric power generation, fish and wildlife management, municipal and industrial water supply, reservoir managements, urban development, flood control, recreation, and water quality management. The 2013 Budget maintains the 2012 enacted level of \$9.3 million.

**Operation of plant materials centers.**—The identification, testing, evaluation, and demonstration of plants and plant technologies to solve natural resource problems and improve the utilization of natural resources are made at 27 plant materials centers (25 NRCS-managed and 2 with partial NRCS-funding) to determine suitability for erosion control, cropland soil health and productivity, restoring wetland, improving water quality, improving wildlife habitat (including pollinators), protecting streambank and riparian areas, stabilizing coastal dunes, producing biomass, improving air quality, and addressing other conservation treatment needs. Plant materials centers document and transfer plant science technology in fact sheets, technical notes, the Field Office Technical Guide, and transferred to the public on the Web. Work at plant materials centers is the foundation of vegetative recommendations for NRCS and many other Federal and State agencies. The 2013 Budget maintains the 2012 enacted level of \$9.4 million.

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

| Identification code 12-1000-0-1-302                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| <b>Personnel compensation:</b>                                  |             |           |           |
| 11.1 Full-time permanent .....                                  | 412         | 370       | 361       |
| 11.3 Other than full-time permanent .....                       | 8           | 7         | 7         |
| 11.5 Other personnel compensation .....                         | 11          | 10        | 10        |
| 11.9 Total personnel compensation .....                         | 431         | 387       | 378       |
| 12.1 Civilian personnel benefits .....                          | 140         | 126       | 123       |
| 13.0 Benefits for former personnel .....                        | 3           | 3         | 3         |
| 21.0 Travel and transportation of persons .....                 | 19          | 19        | 19        |
| 22.0 Transportation of things .....                             | 4           | 4         | 4         |
| 23.2 Rental payments to others .....                            | 23          | 21        | 21        |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 22          | 20        | 20        |
| 24.0 Printing and reproduction .....                            | 1           | 1         | 1         |
| 25.2 Other services from non-federal sources .....              | 226         | 203       | 203       |
| 26.0 Supplies and materials .....                               | 18          | 22        | 21        |
| 31.0 Equipment .....                                            | 25          | 35        | 35        |
| 32.0 Land and structures .....                                  | 1           |           |           |
| 99.0 Direct obligations .....                                   | 913         | 841       | 828       |
| 99.0 Reimbursable obligations .....                             | 44          | 40        | 40        |
| 99.9 Total new obligations .....                                | 957         | 881       | 868       |

**Employment Summary**

| Identification code 12-1000-0-1-302                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 6,201       | 5,656     | 5,495     |

CONSERVATION OPERATIONS—Continued  
Employment Summary—Continued

| Identification code 12–1000–0–1–302                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 2001 Reimbursable civilian full-time equivalent employment ..... | 189         | 158       | 158       |

FARM SECURITY AND RURAL INVESTMENT PROGRAMS

Program and Financing (in millions of dollars)

| Identification code 12–1004–0–1–302                                              | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                          |             |           |           |
| 0001 Wetlands Reserve program .....                                              | 569         | 707       | 224       |
| 0002 Environmental Quality Incentives program .....                              | 1,231       | 1,400     | 1,403     |
| 0004 Agricultural Water Enhancement Program .....                                | 73          | 60        | 60        |
| 0005 Wildlife Habitat Incentives program .....                                   | 83          | 50        | 73        |
| 0006 Farm and Ranch Lands Protection program .....                               | 169         | 150       | 200       |
| 0007 Conservation Security program .....                                         | 199         | 197       | 182       |
| 0008 Grassland Reserve program .....                                             | 78          | 67        | 5         |
| 0009 Conservation Stewardship Program .....                                      | 579         | 769       | 972       |
| 0010 Agricultural Management Assistance program .....                            | 7           | 3         | 3         |
| 0011 Chesapeake Bay Watershed Initiative .....                                   | 73          | 52        | 50        |
| 0012 Healthy Forests Reserve Program .....                                       | 17          | 13        | .....     |
| 0799 Total direct obligations .....                                              | 3,078       | 3,468     | 3,172     |
| 0801 Reimbursable Conservation Reserve Program .....                             | 123         | 80        | 108       |
| 0802 Reimbursable EPA Great Lakes Environmental Quality Incentives Program ..... | 1           | 19        | 19        |
| 0803 Reimbursable EPA Great Lakes Farm and Ranchlands Protection Program .....   | 2           | .....     | .....     |
| 0804 Reimbursable Other .....                                                    | 14          | .....     | .....     |
| 0899 Total reimbursable obligations .....                                        | 140         | 99        | 127       |
| 0900 Total new obligations .....                                                 | 3,218       | 3,567     | 3,299     |

**Budgetary Resources:**  
Unobligated balance:

|                                                                    |       |       |       |
|--------------------------------------------------------------------|-------|-------|-------|
| 1000 Unobligated balance brought forward, Oct 1 .....              | 10    | 5     | ..... |
| 1021 Recoveries of prior year unpaid obligations .....             | 4     | ..... | ..... |
| 1050 Unobligated balance (total) .....                             | 14    | 5     | ..... |
| <b>Budget authority:</b>                                           |       |       |       |
| Appropriations, discretionary:                                     |       |       |       |
| 1130 Appropriations permanently reduced .....                      | ..... | ..... | –377  |
| 1160 Appropriation, discretionary (total) .....                    | ..... | ..... | –377  |
| Appropriations, mandatory:                                         |       |       |       |
| 1221 Transferred from other accounts [12–4336] .....               | 3,127 | 3,463 | 3,549 |
| 1260 Appropriations, mandatory (total) .....                       | 3,127 | 3,463 | 3,549 |
| Spending authority from offsetting collections, mandatory:         |       |       |       |
| 1800 Offsetting Collections Conservation Reserve Program .....     | 75    | 80    | 108   |
| 1800 Offsetting collections EPA Great Lakes, Other .....           | 3     | 19    | 19    |
| 1801 Change in uncollected payments, Federal sources .....         | 62    | ..... | ..... |
| 1850 Spending auth from offsetting collections, mand (total) ..... | 140   | 99    | 127   |
| 1900 Budget authority (total) .....                                | 3,267 | 3,562 | 3,299 |
| 1930 Total budgetary resources available .....                     | 3,281 | 3,567 | 3,299 |
| <b>Memorandum (non-add) entries:</b>                               |       |       |       |
| 1940 Unobligated balance expiring .....                            | –58   | ..... | ..... |
| 1941 Unexpired unobligated balance, end of year .....              | 5     | ..... | ..... |

**Change in obligated balance:**

|                                                                   |        |        |        |
|-------------------------------------------------------------------|--------|--------|--------|
| <b>Obligated balance, start of year (net):</b>                    |        |        |        |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 3,421  | 3,665  | 4,057  |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | –29    | –76    | –76    |
| 3020 Obligated balance, start of year (net) .....                 | 3,392  | 3,589  | 3,981  |
| 3030 Obligations incurred, unexpired accounts .....               | 3,218  | 3,567  | 3,299  |
| 3031 Obligations incurred, expired accounts .....                 | 59     | .....  | .....  |
| 3040 Outlays (gross) .....                                        | –2,714 | –3,175 | –3,343 |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....    | –62    | .....  | .....  |
| 3051 Change in uncollected pymts, Fed sources, expired .....      | 15     | .....  | .....  |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | –4     | .....  | .....  |
| 3081 Recoveries of prior year unpaid obligations, expired .....   | –315   | .....  | .....  |
| <b>Obligated balance, end of year (net):</b>                      |        |        |        |
| 3090 Unpaid obligations, end of year (gross) .....                | 3,665  | 4,057  | 4,013  |
| 3091 Uncollected pymts, Fed sources, end of year .....            | –76    | –76    | –76    |
| 3100 Obligated balance, end of year (net) .....                   | 3,589  | 3,981  | 3,937  |

**Budget authority and outlays, net:**

|                                                                      |       |       |       |
|----------------------------------------------------------------------|-------|-------|-------|
| <b>Discretionary:</b>                                                |       |       |       |
| 4000 Budget authority, gross .....                                   | ..... | ..... | –377  |
| Outlays, gross:                                                      |       |       |       |
| 4010 Outlays from new discretionary authority .....                  | ..... | ..... | –128  |
| <b>Mandatory:</b>                                                    |       |       |       |
| 4090 Budget authority, gross .....                                   | 3,267 | 3,562 | 3,676 |
| Outlays, gross:                                                      |       |       |       |
| 4100 Outlays from new mandatory authority .....                      | 921   | 1,018 | 1,089 |
| 4101 Outlays from mandatory balances .....                           | 1,793 | 2,157 | 2,382 |
| 4110 Outlays, gross (total) .....                                    | 2,714 | 3,175 | 3,471 |
| Offsets against gross budget authority and outlays:                  |       |       |       |
| Offsetting collections (collected) from:                             |       |       |       |
| 4120 Federal sources .....                                           | –86   | –80   | –108  |
| 4120 Federal sources .....                                           | ..... | –19   | –19   |
| 4130 Offsets against gross budget authority and outlays (total) .... | –86   | –99   | –127  |
| Additional offsets against gross budget authority only:              |       |       |       |
| 4140 Change in uncollected pymts, Fed sources, unexpired .....       | –62   | ..... | ..... |
| 4142 Offsetting collections credited to expired accounts .....       | 8     | ..... | ..... |
| 4150 Additional offsets against budget authority only (total) .....  | –54   | ..... | ..... |
| 4160 Budget authority, net (mandatory) .....                         | 3,127 | 3,463 | 3,549 |
| 4170 Outlays, net (mandatory) .....                                  | 2,628 | 3,076 | 3,344 |
| 4180 Budget authority, net (total) .....                             | 3,127 | 3,463 | 3,172 |
| 4190 Outlays, net (total) .....                                      | 2,628 | 3,076 | 3,216 |

**Summary of Budget Authority and Outlays (in millions of dollars)**

|                                                | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------|-------------|-----------|-----------|
| <b>Enacted/requested:</b>                      |             |           |           |
| Budget Authority .....                         | 3,127       | 3,463     | 3,172     |
| Outlays .....                                  | 2,628       | 3,076     | 3,216     |
| <b>Legislative proposal, subject to PAYGO:</b> |             |           |           |
| Budget Authority .....                         | .....       | .....     | –100      |
| Outlays .....                                  | .....       | .....     | –35       |
| <b>Total:</b>                                  |             |           |           |
| Budget Authority .....                         | 3,127       | 3,463     | 3,072     |
| Outlays .....                                  | 2,628       | 3,076     | 3,181     |

The Food, Conservation, and Energy Act of 2008 (P.L. 110–246), amended Title XII of the Food Security Act of 1985 and reauthorized a number of USDA's conservation programs. As noted below, a number of conservation programs were extended in the 2013 Budget's baseline based upon scorekeeping conventions and/or language included in the Consolidated and Further Continuing Appropriations Act of 2012 (P.L. 112–55). For conservation programs where NRCS is the lead implementation agency, funds are transferred from the Commodity Credit Corporation (CCC) to the Farm Security and Rural Investment Programs account. This account funds the cost-share, monitoring, easement, financial assistance, and technical assistance costs necessary for delivering the following programs:

**Wetlands Reserve Program (WRP).**—This program is authorized under Section 1237 of the Food Security Act of 1985, as amended. The authority provides for up to 3,041,200 acres to be enrolled in the program. The purpose of the WRP is to preserve, protect, and restore valuable wetlands. The program's authority to enroll new easements expires at the end of 2012 and is not assumed to extend in the 2013 Budget's baseline. Therefore, the 2013 Budget includes funding to support monitoring, restoration and maintenance of easements enrolled before September 30, 2012.

**Environmental Quality Incentives Program (EQIP).**—This program is authorized under section 1240 of the Food Security Act of 1985, as amended. Section 716 of the Consolidated and Further Continuing Appropriations Act of 2012 (P.L. 112–55) reauthorized the program through 2014, and the 2013 Budget assumes that the program extends beyond that date in the baseline for scorekeeping purposes. The purpose of the program is to promote agricultural production and environmental quality as compatible national goals. The 2013 Budget proposes \$1.403



billion for this program and proposes to permanently cancel funds exceeding this amount for the program in 2013.

*Agricultural Water Enhancement Program (AWEP).*—This program is authorized by Section 1240I of the Food Security Act of 1985, as amended. Under AWEP, NRCS enters into partnership agreements with eligible entities to promote ground and surface water conservation or improve water quality on agricultural lands. The program's authority to use CCC funds expires at the end of 2012; however, the 2013 Budget's baseline assumes extension of this program for scorekeeping purposes.

*Conservation Stewardship Program (CSP).*—This program is authorized by Section 1238D of the Food Security Act of 1985, as amended. Section 716 of the Consolidated and Further Continuing Appropriations Act of 2012 (P.L. 112–55) reauthorized the program through 2014 and the 2013 Budget assumes that the program extends beyond that date in the baseline for scorekeeping purposes. The program encourages producers to address resource concerns in a comprehensive manner by undertaking additional conservation activities and improving, maintaining and managing existing conservation activities. The 2013 Budget proposes \$972 million for this program to enroll 12,009,368 acres and proposes to permanently reduce the program by 759,632 acres. This program is the successor to the Conservation Security Program, which was not continued in the Food, Conservation and Energy Act of 2008 except as necessary to support contracts entered into before September 30, 2008. The 2013 Budget proposes \$182 million for the Conservation Security Program.

*Farmland Protection Program (FRPP).*—This program is authorized under Section 1238I of the Food Security Act of 1985, as amended. Section 716 of the Consolidated and Further Continuing Appropriations Act of 2012 (P.L. 112–55) reauthorized the program through 2014 and the 2013 Budget assumes that the program extends beyond that date in the baseline for scorekeeping purposes. This program protects soil by limiting nonagricultural use of prime and unique farm and ranch land.

*Wildlife Habitat Incentives Program (WHIP).*—This program is authorized by Section 1240N of the Food Security Act of 1985, as amended. Section 716 of the Consolidated and Further Continuing Appropriations Act of 2012 (P.L. 112–55) reauthorized the program through 2014 and the 2013 Budget assumes that the program extends beyond that date in the baseline for scorekeeping purposes. The program develops habitat for upland wildlife, wetland wildlife, threatened and endangered species, fish, and other wildlife. The 2013 Budget's baseline assumes extension of WHIP and proposes a level of \$73 million, while proposing to permanently cancel funds exceeding this amount in 2013.

*Grassland Reserve Program (GRP).*—This program is authorized by Section 1238N of the Food Security Act of 1985, as amended. The purpose of the program is to assist landowners in restoring and protecting grassland. The program's authority to use CCC funds to enroll new easements expires at the end of 2012. As a result, the 2013 Budget only includes funding to support easements enrolled before September 30, 2012.

*Chesapeake Bay Watershed Program (CBWP).*—This program is authorized by Section 1240Q of the Food Security Act of 1985, as amended. It helps agricultural producers improve water quality and quantity and restore, enhance and preserve soil, air and related resources in the Chesapeake Bay Watershed through the implementation of conservation practices. The program's authority to use CCC funds expires at the end of 2012; however, the 2013 Budget's baseline assumes extension of this program for scorekeeping purposes.

*Conservation Reserve Program (CRP) Technical Assistance.*—The CRP is authorized by Sections 1231–1235A of the Food Security Act of 1985, as amended. Although CRP is administered by the Farm Service Agency, NRCS provides technical assistance to producers to implement conservation practices on CRP land. FSA provides funds to NRCS as offsetting collections for this purpose in this account. The 2013 Budget assumes \$108 million in technical assistance for NRCS support of CRP.

In addition to the programs authorized under the Food Security Act of 1985, NRCS implements the following conservation programs:

*Agricultural Management Assistance Program (AMA).*—This program is authorized by Section 524(b) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)), as amended. It authorizes \$15 million annually for fiscal years 2008 through 2012. Section 716 of the Consolidated and Further Continuing Appropriations Act of 2012 (P.L. 112–55) reauthorized the program through 2014 and it is extended beyond that date in the baseline based upon permanent authority. This program is implemented by NRCS, the Agricultural Marketing Service, and the Risk Management Agency. The NRCS AMA activities are carried out in 16 states, as determined by the Secretary, in which participation in the Federal Crop Insurance Program is historically low. The program provides assistance to producers to mitigate financial risk by using conservation to reduce soil erosion and improve water quality. The Budget proposes limiting the overall AMA program to \$10 million in 2013, of which NRCS is limited to \$2.5 million, and proposes to permanently cancel funds exceeding this amount for the program in 2013.

*Healthy Forests Reserve Program (HFRP).*—This program is authorized by Section 502 of the Healthy Forests Restoration Act of 2003, as amended. The program assists landowners in restoring, enhancing and protecting forest ecosystems on private lands to promote the recovery of threatened and endangered species, improve biodiversity, and enhance carbon sequestration. Authorization for mandatory funding for this program expires at the end of 2012.

NRCS works to deliver conservation programs using its technical field staff and by partnering with public and private entities through the Technical Service Provider (TSP) system. NRCS can contract with TSPs to help deliver the Farm Bill programs, or agricultural producers may select TSPs to help plan and implement conservation practices on their operations.

The U.S. has made great strides in improving water quality; however, nonpoint source pollution remains a significant challenge that requires policy attention and thoughtful new approaches. In 2013, the Budget supports an effort to better coordinate conservation efforts among key Federal partners, along with agricultural producer organizations, conservation districts, States, Tribes, NGOs and other local leaders to identify areas where a focused and coordinated approach can achieve substantial improvements in water quality. The President's Budget builds upon the collaborative process already underway among Federal partners to demonstrate substantial improvements in water quality from conservation programs by ensuring that USDA's key investments through Farm Bill conservation programs and related efforts are appropriately leveraged by other federal programs.

Finally, as part of the President's commitment to fiscal responsibility the Budget reflects a proposal to reduce the Environmental Quality Incentives Program by \$100 million annually to generate outlay savings of over \$800 million over 10 years.

FARM SECURITY AND RURAL INVESTMENT PROGRAMS—Continued

Object Classification (in millions of dollars)

| Identification code 12-1004-0-1-302                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| <b>Personnel compensation:</b>                                  |             |           |           |
| 11.1 Full-time permanent .....                                  | 252         | 279       | 277       |
| 11.3 Other than full-time permanent .....                       | 4           | 4         | 4         |
| 11.5 Other personnel compensation .....                         | 6           | 7         | 7         |
| 11.9 Total personnel compensation .....                         | 262         | 290       | 288       |
| 12.1 Civilian personnel benefits .....                          | 86          | 96        | 95        |
| 21.0 Travel and transportation of persons .....                 | 5           | 5         | 5         |
| 22.0 Transportation of things .....                             | 1           | 1         | 1         |
| 23.2 Rental payments to others .....                            | 16          | 18        | 18        |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 9           | 10        | 10        |
| 25.2 Other services from non-Federal sources .....              | 135         | 151       | 157       |
| 26.0 Supplies and materials .....                               | 9           | 10        | 11        |
| 31.0 Equipment .....                                            | 19          | 19        | 20        |
| 32.0 Land and structures .....                                  | 603         | 701       | 239       |
| 41.0 Grants, subsidies, and contributions .....                 | 1,933       | 2,167     | 2,328     |
| 99.0 Direct obligations .....                                   | 3,078       | 3,468     | 3,172     |
| 99.0 Reimbursable obligations .....                             | 140         | 99        | 127       |
| 99.9 Total new obligations .....                                | 3,218       | 3,567     | 3,299     |

Employment Summary

| Identification code 12-1004-0-1-302                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 3,873       | 4,247     | 4,184     |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 953         | 623       | 810       |

FARM SECURITY AND RURAL INVESTMENT PROGRAMS

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

| Identification code 12-1004-4-1-302                   | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------|-------------|-----------|-----------|
| <b>Budgetary Resources:</b>                           |             |           |           |
| <b>Budget authority:</b>                              |             |           |           |
| <b>Appropriations, mandatory:</b>                     |             |           |           |
| 1200 Appropriation .....                              |             |           | -100      |
| 1260 Appropriations, mandatory (total) .....          |             |           | -100      |
| 1930 Total budgetary resources available .....        |             |           | -100      |
| <b>Memorandum (non-add) entries:</b>                  |             |           |           |
| 1941 Unexpired unobligated balance, end of year ..... |             |           | -100      |
| <b>Change in obligated balance:</b>                   |             |           |           |
| 3040 Outlays (gross) .....                            |             |           | 35        |
| <b>Obligated balance, end of year (net):</b>          |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....    |             |           | 35        |
| 3100 Obligated balance, end of year (net) .....       |             |           | 35        |
| <b>Budget authority and outlays, net:</b>             |             |           |           |
| <b>Mandatory:</b>                                     |             |           |           |
| 4090 Budget authority, gross .....                    |             |           | -100      |
| <b>Outlays, gross:</b>                                |             |           |           |
| 4100 Outlays from new mandatory authority .....       |             |           | -35       |
| 4180 Budget authority, net (total) .....              |             |           | -100      |
| 4190 Outlays, net (total) .....                       |             |           | -35       |

WATERSHED AND FLOOD PREVENTION OPERATIONS

Program and Financing (in millions of dollars)

| Identification code 12-1072-0-1-301                  | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>              |             |           |           |
| 0002 Watershed Operations .....                      |             | 12        |           |
| 0003 Emergency watershed protection operations ..... | 73          | 273       | 31        |
| 0004 Small watershed operations (P.L. 566) .....     | 10          | 20        |           |
| 0799 Total direct obligations .....                  | 83          | 305       | 31        |
| 0801 EPA Reimbursable program activity .....         | 3           | 1         | 1         |
| 0802 Reimbursable program activity .....             | 15          |           |           |

|                                           |     |     |    |
|-------------------------------------------|-----|-----|----|
| 0899 Total reimbursable obligations ..... | 18  | 1   | 1  |
| 0900 Total new obligations .....          | 101 | 306 | 32 |

Budgetary Resources:

|                                                                       |     |     |    |
|-----------------------------------------------------------------------|-----|-----|----|
| <b>Unobligated balance:</b>                                           |     |     |    |
| 1000 Unobligated balance brought forward, Oct 1 .....                 | 215 | 152 | 62 |
| 1021 Recoveries of prior year unpaid obligations .....                | 32  |     |    |
| 1050 Unobligated balance (total) .....                                | 247 | 152 | 62 |
| <b>Budget authority:</b>                                              |     |     |    |
| <b>Appropriations, discretionary:</b>                                 |     |     |    |
| 1100 Appropriation .....                                              |     | 216 |    |
| 1160 Appropriation, discretionary (total) .....                       |     | 216 |    |
| <b>Spending authority from offsetting collections, discretionary:</b> |     |     |    |
| 1700 Collected .....                                                  | 37  |     |    |
| 1701 Change in uncollected payments, Federal sources .....            | -31 |     |    |
| 1750 Spending auth from offsetting collections, disc (total) .....    | 6   |     |    |
| 1900 Budget authority (total) .....                                   | 6   | 216 |    |
| 1930 Total budgetary resources available .....                        | 253 | 368 | 62 |
| <b>Memorandum (non-add) entries:</b>                                  |     |     |    |
| 1941 Unexpired unobligated balance, end of year .....                 | 152 | 62  | 30 |

Change in obligated balance:

|                                                                   |      |      |      |
|-------------------------------------------------------------------|------|------|------|
| <b>Obligated balance, start of year (net):</b>                    |      |      |      |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 448  | 216  | 304  |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -79  | -48  | -48  |
| 3020 Obligated balance, start of year (net) .....                 | 369  | 168  | 256  |
| 3030 Obligations incurred, unexpired accounts .....               | 101  | 306  | 32   |
| 3031 Obligations incurred, expired accounts .....                 | 2    |      |      |
| 3040 Outlays (gross) .....                                        | -298 | -218 | -166 |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....    | 31   |      |      |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -32  |      |      |
| 3081 Recoveries of prior year unpaid obligations, expired .....   | -5   |      |      |
| <b>Obligated balance, end of year (net):</b>                      |      |      |      |
| 3090 Unpaid obligations, end of year (gross) .....                | 216  | 304  | 170  |
| 3091 Uncollected pymts, Fed sources, end of year .....            | -48  | -48  | -48  |
| 3100 Obligated balance, end of year (net) .....                   | 168  | 256  | 122  |

Budget authority and outlays, net:

|                                                                |     |     |     |
|----------------------------------------------------------------|-----|-----|-----|
| <b>Discretionary:</b>                                          |     |     |     |
| 4000 Budget authority, gross .....                             | 6   | 216 |     |
| <b>Outlays, gross:</b>                                         |     |     |     |
| 4010 Outlays from new discretionary authority .....            |     | 86  |     |
| 4011 Outlays from discretionary balances .....                 | 298 | 132 | 166 |
| 4020 Outlays, gross (total) .....                              | 298 | 218 | 166 |
| <b>Offsets against gross budget authority and outlays:</b>     |     |     |     |
| <b>Offsetting collections (collected) from:</b>                |     |     |     |
| 4030 Federal sources .....                                     | -37 |     |     |
| <b>Additional offsets against gross budget authority only:</b> |     |     |     |
| 4050 Change in uncollected pymts, Fed sources, unexpired ..... | 31  |     |     |
| 4070 Budget authority, net (discretionary) .....               |     | 216 |     |
| 4080 Outlays, net (discretionary) .....                        | 261 | 218 | 166 |
| 4180 Budget authority, net (total) .....                       |     | 216 |     |
| 4190 Outlays, net (total) .....                                | 261 | 218 | 166 |

NRCS watershed programs provide for cooperative actions between the Federal Government and States and their political subdivisions to reduce damage from floodwater, sediment, and erosion; for the conservation, development, utilization, and disposal of water; and for the conservation and proper utilization of land. Funds in Watershed and Flood Prevention Operations can be used for either flood prevention projects or flood damage rehabilitation efforts, depending upon the needs and opportunities.

*Emergency watershed protection program.*—NRCS undertakes such emergency measures for runoff retardation and soil erosion prevention as may be needed to safeguard life and property from floods and the products of erosion on any watershed whenever natural elements or forces cause a sudden impairment of that watershed. An emergency is considered to exist when a watershed is suddenly impaired by flood, fire, wind, earthquake, drought or other natural causes and consequently life and property are endangered by floodwater, erosion, or sediment discharge. Subject to the terms and conditions of funding, NRCS may provide Emergency Watershed Protection assistance to address small

scale, localized disasters. In 2012, the Emergency Watershed Protection Program was funded at \$215.9 million for expenses resulting from major disasters declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq). State agencies including environmental, natural resource, and fish and game agencies participate in planning and coordinating emergency work. Funding for the emergency watershed protection program is typically provided through emergency supplemental appropriations. The 2013 Budget does not request funding for this program.

*Watershed operations authorized by Public Law 78-534.*—NRCS cooperates with soil conservation districts and other local organizations in planning and installing flood prevention improvements in 11 watersheds authorized by the Flood Control Act of 1944. The Federal Government shares the cost of improvements for flood prevention, agricultural water management, recreation, and fish and wildlife development. This program did not receive an appropriation in 2011 and 2012, and the 2013 budget does not request funding for this program. NRCS is closing out watershed operations projects started prior to 2011 with unobligated balances from prior years.

*Small watershed operations authorized by Public Law 83-566.*—NRCS provides technical and financial assistance to local organizations to install measures for watershed protection, flood prevention, agricultural water management, recreation, and fish and wildlife enhancement. At least 70 percent of the funding provided is used for financial assistance. This program did not receive an appropriation in 2011 and 2012, and the 2013 budget does not request funding for this program. NRCS is closing out small watershed operations projects started prior to 2011 with unobligated balances from prior years.

Loans through the Agricultural Credit Insurance Fund have been made in previous years to the local sponsors in order to fund the local cost of Public Law 83-566 or 78-534 projects. No funding for these loans is assumed in 2013.

**MAIN WORKLOAD FACTORS**

|                                                        | 2011 actual | 2012 est. |
|--------------------------------------------------------|-------------|-----------|
| Status of operational P.L. 534 and P.L. 566 projects:  |             |           |
| Projects receiving land treatment .....                | 103         | 101       |
| Structural projects .....                              | 153         | 147       |
| Land treatment and structural projects .....           | 63          | 58        |
| Subtotal active projects .....                         | 319         | 306       |
| Projects continuing post-installation assistance ..... | 1074        | 1064      |
| Inactive projects .....                                | 197         | 195       |
| Project life completed .....                           | 42          | 45        |
| Deauthorized projects .....                            | 158         | 158       |
| Total operational projects .....                       | 1790        | 1768      |
| New projects approved during year .....                | 1           | 0         |

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

| Identification code 12-1072-0-1-301                | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                |             |           |           |
| Personnel compensation:                            |             |           |           |
| 11.1 Full-time permanent .....                     | 12          | 26        | 3         |
| 11.5 Other personnel compensation .....            | 1           | 3         | 1         |
| 11.9 Total personnel compensation .....            | 13          | 29        | 4         |
| 12.1 Civilian personnel benefits .....             | 4           | 9         | 1         |
| 21.0 Travel and transportation of persons .....    | 1           | 2         |           |
| 25.2 Other services from non-Federal sources ..... | 25          | 20        |           |
| 25.2 Other services from non-Federal sources ..... | 8           | 129       | 14        |
| 32.0 Land and structures .....                     | 3           |           |           |
| 41.0 Grants, subsidies, and contributions .....    | 29          | 116       | 12        |
| 99.0 Direct obligations .....                      | 83          | 305       | 31        |
| 99.0 Reimbursable obligations .....                | 18          | 1         | 1         |
| 99.9 Total new obligations .....                   | 101         | 306       | 32        |

**Employment Summary**

| Identification code 12-1072-0-1-301                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 178         | 400       | 51        |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 40          |           |           |

**WATERSHED REHABILITATION PROGRAM**

【Under the authorities of section 14 of the Watershed Protection and Flood Prevention Act, \$15,000,000 is provided.】 (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

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

| Identification code 12-1002-0-1-301                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                            |             |           |           |
| 0001 Watershed rehabilitation program .....                        | 25          | 27        |           |
| <b>Budgetary Resources:</b>                                        |             |           |           |
| Unobligated balance:                                               |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....              | 10          | 12        |           |
| 1021 Recoveries of prior year unpaid obligations .....             | 8           |           |           |
| 1050 Unobligated balance (total) .....                             | 18          | 12        |           |
| Budget authority:                                                  |             |           |           |
| Appropriations, discretionary:                                     |             |           |           |
| 1100 Appropriation .....                                           | 18          | 15        |           |
| 1130 Appropriations permanently reduced .....                      |             |           | -165      |
| 1160 Appropriation, discretionary (total) .....                    | 18          | 15        | -165      |
| Appropriations, mandatory:                                         |             |           |           |
| 1221 Transferred from other accounts [12-4336] .....               |             |           | 165       |
| 1260 Appropriations, mandatory (total) .....                       |             |           | 165       |
| Spending authority from offsetting collections, discretionary:     |             |           |           |
| 1701 Change in uncollected payments, Federal sources .....         | 1           |           |           |
| 1750 Spending auth from offsetting collections, disc (total) ..... | 1           |           |           |
| 1900 Budget authority (total) .....                                | 19          | 15        |           |
| 1930 Total budgetary resources available .....                     | 37          | 27        |           |
| Memorandum (non-add) entries:                                      |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....              | 12          |           |           |

**Change in obligated balance:**

|                                                                   |     |     |     |
|-------------------------------------------------------------------|-----|-----|-----|
| Obligated balance, start of year (net):                           |     |     |     |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 104 | 82  | 68  |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... |     | -1  | -1  |
| 3020 Obligated balance, start of year (net) .....                 | 104 | 81  | 67  |
| 3030 Obligations incurred, unexpired accounts .....               | 25  | 27  |     |
| 3040 Outlays (gross) .....                                        | -38 | -41 | -23 |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....    | -1  |     |     |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -8  |     |     |
| 3081 Recoveries of prior year unpaid obligations, expired .....   | -1  |     |     |
| Obligated balance, end of year (net):                             |     |     |     |
| 3090 Unpaid obligations, end of year (gross) .....                | 82  | 68  | 45  |
| 3091 Uncollected pymts, Fed sources, end of year .....            | -1  | -1  | -1  |
| 3100 Obligated balance, end of year (net) .....                   | 81  | 67  | 44  |

**Budget authority and outlays, net:**

|                                                                |    |    |      |
|----------------------------------------------------------------|----|----|------|
| Discretionary:                                                 |    |    |      |
| 4000 Budget authority, gross .....                             | 19 | 15 | -165 |
| Outlays, gross:                                                |    |    |      |
| 4010 Outlays from new discretionary authority .....            | 10 | 3  | -53  |
| 4011 Outlays from discretionary balances .....                 | 28 | 38 | 23   |
| 4020 Outlays, gross (total) .....                              | 38 | 41 | -30  |
| Offsets against gross budget authority and outlays:            |    |    |      |
| Offsetting collections (collected) from:                       |    |    |      |
| Additional offsets against gross budget authority only:        |    |    |      |
| 4050 Change in uncollected pymts, Fed sources, unexpired ..... | -1 |    |      |
| Mandatory:                                                     |    |    |      |
| 4090 Budget authority, gross .....                             |    |    | 165  |
| Outlays, gross:                                                |    |    |      |
| 4100 Outlays from new mandatory authority .....                |    |    | 53   |
| 4180 Budget authority, net (total) .....                       | 18 | 15 |      |
| 4190 Outlays, net (total) .....                                | 38 | 41 | 23   |

WATERSHED REHABILITATION PROGRAM—Continued

Under the authorities of Section 14 of the Watershed Protection and Flood Prevention Act, assistance is provided to communities to address the rehabilitation of aging local dams. The 2012 enacted level included \$15 million for the Watershed Rehabilitation Program. No funding is requested in the 2013 Budget, reflecting the Administration's position that the maintenance, repair, and operation of these dams are the responsibility of local project sponsors. The 2013 Budget also proposes no mandatory funding for this program in 2013; \$165 million currently available are proposed to be permanently cancelled (see General Provisions for the Department of Agriculture).

Object Classification (in millions of dollars)

| Identification code 12-1002-0-1-301                    | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                             |             |           |           |
| 11.1 Personnel compensation: Full-time permanent ..... | 7           | 3         | .....     |
| 12.1 Civilian personnel benefits .....                 | 2           | 1         | .....     |
| 25.2 Other services from non-Federal sources .....     | 11          | 16        | .....     |
| 41.0 Grants, subsidies, and contributions .....        | 4           | 7         | .....     |
| 99.0 Direct obligations .....                          | 24          | 27        | .....     |
| 99.0 Reimbursable obligations .....                    | 1           | .....     | .....     |
| 99.9 Total new obligations .....                       | 25          | 27        | .....     |

Employment Summary

| Identification code 12-1002-0-1-301                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 88          | 43        | .....     |

RESOURCE CONSERVATION AND DEVELOPMENT

Program and Financing (in millions of dollars)

| Identification code 12-1010-0-1-302                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                         |             |           |           |
| 0002 Technical assistance .....                                 | 23          | 1         | .....     |
| <b>Budgetary Resources:</b>                                     |             |           |           |
| Unobligated balance:                                            |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....           | 3           | 1         | .....     |
| Budget authority:                                               |             |           |           |
| Appropriations, discretionary:                                  |             |           |           |
| 1100 Appropriation .....                                        | 24          | .....     | .....     |
| 1160 Appropriation, discretionary (total) .....                 | 24          | .....     | .....     |
| 1930 Total budgetary resources available .....                  | 27          | 1         | .....     |
| Memorandum (non-add) entries:                                   |             |           |           |
| 1940 Unobligated balance expiring .....                         | -3          | .....     | .....     |
| 1941 Unexpired unobligated balance, end of year .....           | 1           | .....     | .....     |
| <b>Change in obligated balance:</b>                             |             |           |           |
| Obligated balance, start of year (net):                         |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....   | 7           | 2         | .....     |
| 3030 Obligations incurred, unexpired accounts .....             | 23          | 1         | .....     |
| 3040 Outlays (gross) .....                                      | -27         | -3        | .....     |
| 3081 Recoveries of prior year unpaid obligations, expired ..... | -1          | .....     | .....     |
| Obligated balance, end of year (net):                           |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....              | 2           | .....     | .....     |
| 3100 Obligated balance, end of year (net) .....                 | 2           | .....     | .....     |
| <b>Budget authority and outlays, net:</b>                       |             |           |           |
| Discretionary:                                                  |             |           |           |
| Outlays, gross:                                                 |             |           |           |
| 4000 Budget authority, gross .....                              | 24          | .....     | .....     |
| Outlays, gross:                                                 |             |           |           |
| 4010 Outlays from new discretionary authority .....             | 22          | .....     | .....     |
| 4011 Outlays from discretionary balances .....                  | 5           | 3         | .....     |
| 4020 Outlays, gross (total) .....                               | 27          | 3         | .....     |
| 4180 Budget authority, net (total) .....                        | 24          | .....     | .....     |
| 4190 Outlays, net (total) .....                                 | 27          | 3         | .....     |

The Resource Conservation and Development (RC&D) Program was developed under the Soil Conservation and Domestic Allotment Act (16 U.S.C 590a-590f); the Bankhead-Jones Farm Tenant Act (16 U.S.C. 1010 and 1011); and the Food and Agricultural Act of 1962 (P.L. 87-703). It is authorized under subtitle H, title XV of the Agricultural and Food Act of 1981 (16 U.S.C. 3451-3461), as amended. The program was permanently authorized by the Farm Security and Rural Investment Act of 2002 and further amended by the Food, Conservation, and Energy Act of 2008 (P.L. 110-246). No funding was appropriated for the RC&D Program in 2012, and the 2013 Budget requests no funding for the program. After decades of Federal assistance, many RC&D Councils supported by the program have developed sufficiently strong State and local ties and are now able to secure funding for their continued operation without the need for ongoing Federal assistance.

Object Classification (in millions of dollars)

| Identification code 12-1010-0-1-302                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| Personnel compensation:                                         |             |           |           |
| 11.1 Full-time permanent .....                                  | 15          | .....     | .....     |
| 11.5 Other personnel compensation .....                         | 1           | .....     | .....     |
| 11.9 Total personnel compensation .....                         | 16          | .....     | .....     |
| 12.1 Civilian personnel benefits .....                          | 4           | .....     | .....     |
| 21.0 Travel and transportation of persons .....                 | 1           | .....     | .....     |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 1           | .....     | .....     |
| 25.2 Other services from non-Federal sources .....              | 1           | 1         | .....     |
| 99.9 Total new obligations .....                                | 23          | 1         | .....     |

Employment Summary

| Identification code 12-1010-0-1-302                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 190         | .....     | .....     |

HEALTHY FORESTS RESERVE PROGRAM

Program and Financing (in millions of dollars)

| Identification code 12-1090-0-1-302                           | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                       |             |           |           |
| 0001 Direct program activity .....                            | 1           | .....     | .....     |
| 0900 Total new obligations (object class 99.5) .....          | 1           | .....     | .....     |
| <b>Budgetary Resources:</b>                                   |             |           |           |
| Unobligated balance:                                          |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....         | 1           | .....     | .....     |
| 1930 Total budgetary resources available .....                | 1           | .....     | .....     |
| <b>Change in obligated balance:</b>                           |             |           |           |
| Obligated balance, start of year (net):                       |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) ..... | 1           | 2         | .....     |
| 3030 Obligations incurred, unexpired accounts .....           | 1           | .....     | .....     |
| 3040 Outlays (gross) .....                                    | .....       | -2        | .....     |
| Obligated balance, end of year (net):                         |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....            | 2           | .....     | .....     |
| 3100 Obligated balance, end of year (net) .....               | 2           | .....     | .....     |
| <b>Budget authority and outlays, net:</b>                     |             |           |           |
| Discretionary:                                                |             |           |           |
| Outlays, gross:                                               |             |           |           |
| 4011 Outlays from discretionary balances .....                | .....       | 2         | .....     |
| 4190 Outlays, net (total) .....                               | .....       | 2         | .....     |

Title V of the Healthy Forests Restoration Act of 2003 (Public Law 108-148) authorized the establishment of the Healthy Forests Reserve Program (HFRP). This program assists landowners in restoring, enhancing and protecting forest ecosys-

tems to 1) promote the recovery of threatened and endangered species; 2) improve biodiversity; and 3) enhance carbon sequestration.

NRCS implements this voluntary program. Only privately held land is eligible for enrollment into HFRP. Land enrolled in HFRP must have a restoration plan that includes practices necessary to restore and enhance habitat for species listed as threatened or endangered or candidates for the threatened or endangered species list. Technical assistance will be provided by USDA to assist owners in complying with the terms of restoration plans under HFRP.

The 2013 Budget does not request discretionary funding for the Healthy Forests Reserve Program.

GREAT PLAINS CONSERVATION PROGRAM

Program and Financing (in millions of dollars)

| Identification code 12-2268-0-1-302 | 2011 actual                                | 2012 est. | 2013 est. |
|-------------------------------------|--------------------------------------------|-----------|-----------|
| <b>Budgetary Resources:</b>         |                                            |           |           |
| Unobligated balance:                |                                            |           |           |
| 1000                                | Unobligated balance brought forward, Oct 1 | 1         | 1         |
| 1029                                | Other balances withdrawn                   |           | -1        |
| 1050                                | Unobligated balance (total)                | 1         |           |
| 1930                                | Total budgetary resources available        | 1         |           |
| Memorandum (non-add) entries:       |                                            |           |           |
| 1941                                | Unexpired unobligated balance, end of year | 1         |           |

The 1996 Farm Bill combined the authority for this and several other conservation programs into the Environmental Quality Incentives Program. The program provided cost-share assistance to participating landowners and operators in ten Great Plains states to develop and install long-term conservation plans and practices on their lands. The 2012 enacted level includes a general provision to rescind unobligated balances in this account.

FORESTRY INCENTIVES PROGRAM

Program and Financing (in millions of dollars)

| Identification code 12-3336-0-1-302 | 2011 actual                                | 2012 est. | 2013 est. |
|-------------------------------------|--------------------------------------------|-----------|-----------|
| <b>Budgetary Resources:</b>         |                                            |           |           |
| Unobligated balance:                |                                            |           |           |
| 1000                                | Unobligated balance brought forward, Oct 1 | 6         | 6         |
| 1029                                | Other balances withdrawn                   |           | -6        |
| 1050                                | Unobligated balance (total)                | 6         |           |
| 1930                                | Total budgetary resources available        | 6         |           |
| Memorandum (non-add) entries:       |                                            |           |           |
| 1941                                | Unexpired unobligated balance, end of year | 6         |           |

No funds are proposed for the Forestry Incentives Program (FIP). The FIP has not been reauthorized. Prior-year account balances are maintained in this account until expended. FIP shared up to 65 percent of the cost of tree planting and timber stand improvement in designated counties. Technical assistance was provided by the Forest Service. The 2012 Agriculture appropriations general provisions rescind the unobligated balances in this account.

WATER BANK PROGRAM

Program and Financing (in millions of dollars)

| Identification code 12-3320-0-1-302       | 2011 actual                                               | 2012 est. | 2013 est. |
|-------------------------------------------|-----------------------------------------------------------|-----------|-----------|
| <b>Obligations by program activity:</b>   |                                                           |           |           |
| 0001                                      | Direct program activity                                   | 8         |           |
| 0900                                      | Total new obligations                                     | 8         |           |
| <b>Budgetary Resources:</b>               |                                                           |           |           |
| Unobligated balance:                      |                                                           |           |           |
| 1000                                      | Unobligated balance brought forward, Oct 1                | 1         |           |
| Budget authority:                         |                                                           |           |           |
| Appropriations, discretionary:            |                                                           |           |           |
| 1100                                      | Appropriation                                             | 8         |           |
| 1131                                      | Unobligated balance of appropriations permanently reduced | -1        |           |
| 1160                                      | Appropriation, discretionary (total)                      | -1        | 8         |
| 1900                                      | Budget authority (total)                                  | -1        | 8         |
| 1930                                      | Total budgetary resources available                       |           | 8         |
| <b>Change in obligated balance:</b>       |                                                           |           |           |
| Obligated balance, start of year (net):   |                                                           |           |           |
| 3000                                      | Unpaid obligations, brought forward, Oct 1 (gross)        |           | 7         |
| 3030                                      | Obligations incurred, unexpired accounts                  | 8         |           |
| 3040                                      | Outlays (gross)                                           | -1        | -4        |
| Obligated balance, end of year (net):     |                                                           |           |           |
| 3090                                      | Unpaid obligations, end of year (gross)                   | 7         | 3         |
| 3100                                      | Obligated balance, end of year (net)                      | 7         | 3         |
| <b>Budget authority and outlays, net:</b> |                                                           |           |           |
| Discretionary:                            |                                                           |           |           |
| 4000                                      | Budget authority, gross                                   | -1        | 8         |
| Outlays, gross:                           |                                                           |           |           |
| 4010                                      | Outlays from new discretionary authority                  | 1         |           |
| 4011                                      | Outlays from discretionary balances                       |           | 4         |
| 4020                                      | Outlays, gross (total)                                    | 1         | 4         |
| 4180                                      | Budget authority, net (total)                             | -1        | 8         |
| 4190                                      | Outlays, net (total)                                      | 1         | 4         |

The objectives of the Water Bank Program are to conserve water; to preserve, maintain, and improve the Nation's wetlands; to increase waterfowl habitat in migratory waterfowl nesting, breeding, and feeding areas in the United States; and to secure recreational and environmental benefits for the Nation. The program was authorized by the Water Bank Act of 1970, as amended by Public Law 96-182, approved January 2, 1980. The 2012 enacted level included \$7.5 million for this program. No funding is requested in the 2013 Budget, given that the program is duplicative of the Wetlands Reserve Program, USDA's primary wetlands conservation program.

Object Classification (in millions of dollars)

| Identification code 12-3320-0-1-302 | 2011 actual                             | 2012 est. | 2013 est. |
|-------------------------------------|-----------------------------------------|-----------|-----------|
| 32.0                                | Direct obligations: Land and structures | 7         |           |
| 99.5                                | Below reporting threshold               | 1         |           |
| 99.9                                | Total new obligations                   | 8         |           |

Employment Summary

| Identification code 12-3320-0-1-302 | 2011 actual                                     | 2012 est. | 2013 est. |
|-------------------------------------|-------------------------------------------------|-----------|-----------|
| 1001                                | Direct civilian full-time equivalent employment | 4         |           |

COLORADO RIVER BASIN SALINITY CONTROL PROGRAM

The Colorado River Basin Salinity Control Program (CRBSC) was authorized under section 202(c) of Title II of the Colorado River Basin Salinity Control Act, as amended by section 334, subtitle D, Title III of the Federal Agriculture Improvement Act

COLORADO RIVER BASIN SALINITY CONTROL PROGRAM—Continued (FAIR Act) of 1996. The FAIR Act combined the authorities of the Agricultural Conservation Program, Water Quality Incentive Program, Great Plains Conservation Program, and the Colorado River Basin Salinity Control Program into the Environmental Quality Incentives Program (EQIP). The FAIR Act also repealed CRBSC authority, while maintaining program account balances until expended. Since 1996, EQIP has provided cost-share assistance to landowners and others in Colorado, Utah, and Wyoming to enhance the supply and quality of water in the Colorado River for delivery to downstream users in the U.S. and Mexico.

WETLANDS RESERVE PROGRAM

Program and Financing (in millions of dollars)

| Identification code 12-1080-0-1-302                                  | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Budgetary Resources:</b>                                          |             |           |           |
| Unobligated balance:                                                 |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                | 3           |           |           |
| Budget authority:                                                    |             |           |           |
| Appropriations, discretionary:                                       |             |           |           |
| 1131 Unobligated balance of appropriations permanently reduced ..... | -3          |           |           |
| 1160 Appropriation, discretionary (total) .....                      | -3          |           |           |
| <b>Budget authority and outlays, net:</b>                            |             |           |           |
| Discretionary:                                                       |             |           |           |
| 4000 Budget authority, gross .....                                   | -3          |           |           |
| 4180 Budget authority, net (total) .....                             | -3          |           |           |

WILDLIFE HABITAT INCENTIVES PROGRAM

Program and Financing (in millions of dollars)

| Identification code 12-3322-0-1-302                                  | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Budgetary Resources:</b>                                          |             |           |           |
| Unobligated balance:                                                 |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                | 10          |           |           |
| Budget authority:                                                    |             |           |           |
| Appropriations, discretionary:                                       |             |           |           |
| 1131 Unobligated balance of appropriations permanently reduced ..... | -10         |           |           |
| 1160 Appropriation, discretionary (total) .....                      | -10         |           |           |
| <b>Budget authority and outlays, net:</b>                            |             |           |           |
| Discretionary:                                                       |             |           |           |
| 4000 Budget authority, gross .....                                   | -10         |           |           |
| 4180 Budget authority, net (total) .....                             | -10         |           |           |

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 12-8210-0-7-302        | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year .....          |             |           | 1         |
| Receipts:                                  |             |           |           |
| 0220 Miscellaneous Contributed Funds ..... |             | 1         | 1         |
| 0400 Total: Balances and collections ..... |             | 1         | 2         |
| 0799 Balance, end of year .....            |             | 1         | 2         |

Program and Financing (in millions of dollars)

| Identification code 12-8210-0-7-302                   | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------|-------------|-----------|-----------|
| <b>Budgetary Resources:</b>                           |             |           |           |
| Unobligated balance:                                  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 ..... | 2           | 2         | 2         |
| 1930 Total budgetary resources available .....        | 2           | 2         | 2         |
| Memorandum (non-add) entries:                         |             |           |           |
| 1941 Unexpired unobligated balance, end of year ..... | 2           | 2         | 2         |

Funds received in this account from State, local, and other organizations are available for work under cooperative agreements for soil survey, watershed protection, and resource conservation and development activities.

RURAL DEVELOPMENT

Federal Funds

RURAL DEVELOPMENT SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs in the Rural Development mission area, including activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements; [**\$182,023,000, of which \$4,500,000 shall be for the Common Computing Environment**] **\$206,857,000: Provided,** That notwithstanding any other provision of law, funds appropriated under this heading may be used for advertising and promotional activities that support the Rural Development mission area: *Provided further,* That any balances available from prior years for the Rural Utilities Service, Rural Housing Service, and the Rural Business—Cooperative Service salaries and expenses accounts shall be transferred to and merged with this appropriation. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-0403-0-1-452                                             | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                         |             |           |           |
| 0001 Salaries and expenses .....                                                | 192         | 182       | 207       |
| 0801 Reimbursable program .....                                                 | 515         | 472       | 447       |
| 0900 Total new obligations .....                                                | 707         | 654       | 654       |
| <b>Budgetary Resources:</b>                                                     |             |           |           |
| Unobligated balance:                                                            |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                           | 5           | 1         |           |
| 1012 Unobligated balance transfers between expired and unexpired accounts ..... | 8           |           |           |
| 1020 Adjustment of unobligated bal brought forward, Oct 1 .....                 | -4          |           |           |
| 1021 Recoveries of prior year unpaid obligations .....                          | 2           |           |           |
| 1050 Unobligated balance (total) .....                                          | 11          | 1         |           |
| Budget authority:                                                               |             |           |           |
| Appropriations, discretionary:                                                  |             |           |           |
| 1100 Appropriation .....                                                        | 192         | 182       | 207       |
| 1160 Appropriation, discretionary (total) .....                                 | 192         | 182       | 207       |
| Spending authority from offsetting collections, discretionary:                  |             |           |           |
| 1700 Collected .....                                                            | 508         | 472       | 447       |
| 1701 Change in uncollected payments, Federal sources .....                      | 1           |           |           |
| 1750 Spending auth from offsetting collections, disc (total) .....              | 509         | 472       | 447       |
| 1900 Budget authority (total) .....                                             | 701         | 654       | 654       |
| 1930 Total budgetary resources available .....                                  | 712         | 655       | 654       |
| Memorandum (non-add) entries:                                                   |             |           |           |
| 1940 Unobligated balance expiring .....                                         | -4          | -1        |           |
| 1941 Unexpired unobligated balance, end of year .....                           | 1           |           |           |

Change in obligated balance:

|                                                                   |     |     |     |
|-------------------------------------------------------------------|-----|-----|-----|
| Obligated balance, start of year (net):                           |     |     |     |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 222 | 164 | 155 |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -1  | -1  | -1  |
| 3020 Obligated balance, start of year (net) .....                 | 221 | 163 | 154 |
| 3030 Obligations incurred, unexpired accounts .....               | 707 | 654 | 654 |
| 3031 Obligations incurred, expired accounts .....                 | 66  |     |     |

|                                                         |                                                              |      |      |      |
|---------------------------------------------------------|--------------------------------------------------------------|------|------|------|
| 3040                                                    | Outlays (gross) .....                                        | -756 | -663 | -665 |
| 3050                                                    | Change in uncollected pymts, Fed sources, unexpired .....    | -1   |      |      |
| 3051                                                    | Change in uncollected pymts, Fed sources, expired .....      | 1    |      |      |
| 3080                                                    | Recoveries of prior year unpaid obligations, unexpired ..... | -2   |      |      |
| 3081                                                    | Recoveries of prior year unpaid obligations, expired .....   | -73  |      |      |
| Obligated balance, end of year (net):                   |                                                              |      |      |      |
| 3090                                                    | Unpaid obligations, end of year (gross) .....                | 164  | 155  | 144  |
| 3091                                                    | Uncollected pymts, Fed sources, end of year .....            | -1   | -1   | -1   |
| 3100                                                    | Obligated balance, end of year (net) .....                   | 163  | 154  | 143  |
| <b>Budget authority and outlays, net:</b>               |                                                              |      |      |      |
| Discretionary:                                          |                                                              |      |      |      |
| 4000                                                    | Budget authority, gross .....                                | 701  | 654  | 654  |
| Outlays, gross:                                         |                                                              |      |      |      |
| 4010                                                    | Outlays from new discretionary authority .....               | 602  | 556  | 556  |
| 4011                                                    | Outlays from discretionary balances .....                    | 154  | 107  | 109  |
| 4020                                                    | Outlays, gross (total) .....                                 | 756  | 663  | 665  |
| Offsets against gross budget authority and outlays:     |                                                              |      |      |      |
| Offsetting collections (collected) from:                |                                                              |      |      |      |
| 4030                                                    | Federal sources .....                                        | -508 | -472 | -447 |
| Additional offsets against gross budget authority only: |                                                              |      |      |      |
| 4050                                                    | Change in uncollected pymts, Fed sources, unexpired .....    | -1   |      |      |
| 4070                                                    | Budget authority, net (discretionary) .....                  | 192  | 182  | 207  |
| 4080                                                    | Outlays, net (discretionary) .....                           | 248  | 191  | 218  |
| 4180                                                    | Budget authority, net (total) .....                          | 192  | 182  | 207  |
| 4190                                                    | Outlays, net (total) .....                                   | 248  | 191  | 218  |

The Rural Development Salaries and Expenses (S&E) account is a consolidated account to administer all Rural Development programs, including programs administered by the Rural Utilities Service (RUS), the Rural Housing Service (RHS), and the Rural Business-Cooperative Service (RBS).

RUS provides grants, direct loans and loan guarantees to suppliers of electric, telecommunications (for general purpose and for distance learning/telemedicine), and water and wastewater services in rural areas. Through the water and wastewater program, RUS also provides technical assistance. The electric and telecommunications loan and grant programs are administered in the national office in Washington, DC. The Rural Development field office staff performs the services related to the water and wastewater grant and loan programs. Program staff for the electric and telecommunication loans programs are general field representatives, who visit borrowers periodically and serve as liaisons between the borrowers and headquarters.

RHS delivers rural housing and community facility programs through a system of area, local, and State and national offices.

RBS delivers direct loans, loan guarantees, grants, technical assistance, and payment programs to cooperatives and other rural businesses.

The 2013 Budget maintains total S&E funding at the 2012 enacted level and continues the Regional Innovation Initiative included in the 2012 Budget. This initiative focuses on regional planning and coordination of USDA and other Federal and private sector resources for rural communities. The initiative recognizes that individual communities are often affected by linkages to the other communities within regions and that working together can produce more prosperity for all. The 2013 Budget supports robust regional strategies that continue to focus on the most efficient and effective ways to leverage existing resources to strengthen rural communities. In addition to setting aside up to 5 percent of certain funds to support the Regional Innovation Initiative, funding is being specifically provided for this initiative through the Rural Community Development Initiative (RCDI) under the community facility program account. This funding will be used to support regional economic development strategies.

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

| Identification code 12-0403-0-1-452 | 2011 actual                                                | 2012 est. | 2013 est. |     |
|-------------------------------------|------------------------------------------------------------|-----------|-----------|-----|
| <b>Direct obligations:</b>          |                                                            |           |           |     |
| Personnel compensation:             |                                                            |           |           |     |
| 11.1                                | Full-time permanent .....                                  | 111       | 103       | 117 |
| 11.3                                | Other than full-time permanent .....                       | 1         |           |     |
| 11.9                                | Total personnel compensation .....                         | 112       | 103       | 117 |
| 12.1                                | Civilian personnel benefits .....                          | 33        | 34        | 39  |
| 13.0                                | Benefits for former personnel .....                        |           | 4         |     |
| 21.0                                | Travel and transportation of persons .....                 | 4         | 4         | 4   |
| 23.2                                | Rental payments to others .....                            | 6         | 4         | 5   |
| 23.3                                | Communications, utilities, and miscellaneous charges ..... |           | 1         | 1   |
| 24.0                                | Printing and reproduction .....                            |           | 1         | 1   |
| 25.2                                | Other services from non-Federal sources .....              | 11        | 4         | 5   |
| 25.3                                | Other goods and services from Federal sources .....        |           | 1         | 1   |
| 25.4                                | Operation and maintenance of facilities .....              | 2         | 2         | 2   |
| 25.5                                | Research and development contracts .....                   | 22        | 23        | 31  |
| 26.0                                | Supplies and materials .....                               | 1         | 1         | 1   |
| 31.0                                | Equipment .....                                            | 1         |           |     |
| 99.0                                | Direct obligations .....                                   | 192       | 182       | 207 |
| 99.0                                | Reimbursable obligations .....                             | 515       | 472       | 447 |
| 99.9                                | Total new obligations .....                                | 707       | 654       | 654 |

**Employment Summary**

| Identification code 12-0403-0-1-452 | 2011 actual                                                 | 2012 est. | 2013 est. |       |
|-------------------------------------|-------------------------------------------------------------|-----------|-----------|-------|
| 1001                                | Direct civilian full-time equivalent employment .....       | 1,861     | 1,700     | 1,700 |
| 2001                                | Reimbursable civilian full-time equivalent employment ..... | 3,988     | 3,646     | 3,646 |

**RURAL COMMUNITY ADVANCEMENT PROGRAM**

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

| Identification code 12-0400-0-1-452 | 2011 actual                                                | 2012 est. | 2013 est. |  |
|-------------------------------------|------------------------------------------------------------|-----------|-----------|--|
| <b>Budgetary Resources:</b>         |                                                            |           |           |  |
| Unobligated balance:                |                                                            |           |           |  |
| 1000                                | Unobligated balance brought forward, Oct 1 .....           | 1         | 1         |  |
| 1020                                | Adjustment of unobligated bal brought forward, Oct 1 ..... |           | -1        |  |
| 1050                                | Unobligated balance (total) .....                          | 1         |           |  |
| 1930                                | Total budgetary resources available .....                  | 1         |           |  |
| Memorandum (non-add) entries:       |                                                            |           |           |  |
| 1941                                | Unexpired unobligated balance, end of year .....           | 1         |           |  |

Until 2008, this account was used to consolidate, under the Rural Community Advancement Program (RCAP), funding for the direct and guaranteed water and waste disposal loans, water and waste disposal grants, emergency community water assistance grants, solid waste management grants, direct and guaranteed community facility loans, community facility grants, direct and guaranteed business and industry loans, rural business enterprise grants, and rural business opportunity grants. This was in accordance with the provisions set forth in the Federal Agriculture Improvement and Reform Act of 1996, as amended, Public Law 104-127 (the 1996 Act). The final remaining balances have been rescinded.

**RURAL HOUSING SERVICE**

**Federal Funds**

**RURAL HOUSING ASSISTANCE GRANTS**

For grants [and contracts] for very low-income housing repair[, supervisory and technical assistance, compensation for construction defects, and rural housing preservation] made by the Rural Housing Service, as authorized by 42 U.S.C. 1474, [1479(c), 1490e, and 1490m, \$33,136,000] \$28,216,000, to remain available until expended[: Provided, That of the total amount appropriated under this heading, the amount equal to the amount of Rural Housing Assistance Grants allocated by the Secretary

RURAL HOUSING ASSISTANCE GRANTS—Continued

for Rural Economic Area Partnership Zones for the fiscal year 2011, shall be available through June 30, 2012, for communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones]. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)

Program and Financing (in millions of dollars)

| Identification code 12-1953-0-1-604                               | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                           |             |           |           |
| 0012 Very Low-Income Housing Repair Grants .....                  | 31          | 30        | 28        |
| 0016 Rural Housing Preservation Grants .....                      | 10          | 4         | .....     |
| 0018 Processing Workers Grants .....                              | .....       | 2         | .....     |
| 0020 Compensation for Construction Defects .....                  | .....       | 1         | .....     |
| 0900 Total new obligations (object class 41.0) .....              | 41          | 37        | 28        |
| <b>Budgetary Resources:</b>                                       |             |           |           |
| Unobligated balance:                                              |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....             | 23          | 4         | .....     |
| 1020 Adjustment of unobligated bal brought forward, Oct 1 .....   | -19         | .....     | .....     |
| 1021 Recoveries of prior year unpaid obligations .....            | 1           | .....     | .....     |
| 1050 Unobligated balance (total) .....                            | 5           | 4         | .....     |
| Budget authority:                                                 |             |           |           |
| Appropriations, discretionary:                                    |             |           |           |
| 1100 Appropriation .....                                          | 40          | 33        | 28        |
| 1160 Appropriation, discretionary (total) .....                   | 40          | 33        | 28        |
| 1930 Total budgetary resources available .....                    | 45          | 37        | 28        |
| Memorandum (non-add) entries:                                     |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....             | 4           | .....     | .....     |
| <b>Change in obligated balance:</b>                               |             |           |           |
| Obligated balance, start of year (net):                           |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 24          | 25        | 20        |
| 3030 Obligations incurred, unexpired accounts .....               | 41          | 37        | 28        |
| 3040 Outlays (gross) .....                                        | -39         | -42       | -37       |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -1          | .....     | .....     |
| Obligated balance, end of year (net):                             |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                | 25          | 20        | 11        |
| 3100 Obligated balance, end of year (net) .....                   | 25          | 20        | 11        |
| <b>Budget authority and outlays, net:</b>                         |             |           |           |
| Discretionary:                                                    |             |           |           |
| 4000 Budget authority, gross .....                                | 40          | 33        | 28        |
| Outlays, gross:                                                   |             |           |           |
| 4010 Outlays from new discretionary authority .....               | 28          | 27        | 26        |
| 4011 Outlays from discretionary balances .....                    | 11          | 15        | 11        |
| 4020 Outlays, gross (total) .....                                 | 39          | 42        | 37        |
| 4180 Budget authority, net (total) .....                          | 40          | 33        | 28        |
| 4190 Outlays, net (total) .....                                   | 39          | 42        | 37        |

The very low-income housing repair grant program is authorized under section 504 of the Housing Act of 1949, as amended. This grant program enables very low-income elderly residents in rural areas to improve or modernize their dwellings, to make the dwelling safer or more sanitary, or to remove health and safety hazards. The Budget requests \$28.2 million this program in 2013.

No funding is requested in the 2013 Budget for the rural housing preservation grant program. USDA's preservation activities for multifamily housing are being carried out through programs in the multifamily housing revitalization account.

For other housing assistance grants authorized for funding in this account such as supervisory and technical assistance grants as authorized by section 509(f) and 525 of the Housing Act of 1949, as amended, no funding is requested in the 2013 Budget, which is the same as the 2012 enacted level.

FARM LABOR PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-1954-0-1-604                               | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                           |             |           |           |
| 0011 Farm labor housing grants .....                              | 16          | .....     | .....     |
| Credit program obligations:                                       |             |           |           |
| 0701 Direct loan subsidy .....                                    | 16          | .....     | .....     |
| 0900 Total new obligations (object class 41.0) .....              | 32          | .....     | .....     |
| <b>Budgetary Resources:</b>                                       |             |           |           |
| Unobligated balance:                                              |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....             | 12          | 4         | .....     |
| 1010 Unobligated balance transfer to other accts [12-2081] .....  | .....       | -4        | .....     |
| 1021 Recoveries of prior year unpaid obligations .....            | 4           | .....     | .....     |
| 1050 Unobligated balance (total) .....                            | 16          | .....     | .....     |
| Budget authority:                                                 |             |           |           |
| Appropriations, discretionary:                                    |             |           |           |
| 1100 Appropriation .....                                          | 20          | .....     | .....     |
| 1160 Appropriation, discretionary (total) .....                   | 20          | .....     | .....     |
| 1930 Total budgetary resources available .....                    | 36          | .....     | .....     |
| Memorandum (non-add) entries:                                     |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....             | 4           | .....     | .....     |
| <b>Change in obligated balance:</b>                               |             |           |           |
| Obligated balance, start of year (net):                           |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 121         | 110       | .....     |
| 3030 Obligations incurred, unexpired accounts .....               | 32          | .....     | .....     |
| 3040 Outlays (gross) .....                                        | -39         | .....     | .....     |
| 3060 Obligated balance transferred to other accts [12-2081] ..... | .....       | -110      | .....     |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -4          | .....     | .....     |
| Obligated balance, end of year (net):                             |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                | 110         | .....     | .....     |
| 3100 Obligated balance, end of year (net) .....                   | 110         | .....     | .....     |
| <b>Budget authority and outlays, net:</b>                         |             |           |           |
| Discretionary:                                                    |             |           |           |
| 4000 Budget authority, gross .....                                | 20          | .....     | .....     |
| Outlays, gross:                                                   |             |           |           |
| 4011 Outlays from discretionary balances .....                    | 39          | .....     | .....     |
| 4180 Budget authority, net (total) .....                          | 20          | .....     | .....     |
| 4190 Outlays, net (total) .....                                   | 39          | .....     | .....     |

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

| Identification code 12-1954-0-1-604                         | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------|-------------|-----------|-----------|
| Direct loan levels supportable by subsidy budget authority: |             |           |           |
| 115001 Section 514 Farm Labor Housing .....                 | 40          | .....     | .....     |
| 115999 Total direct loan levels .....                       | 40          | .....     | .....     |
| Direct loan subsidy (in percent):                           |             |           |           |
| 132001 Section 514 Farm Labor Housing .....                 | 38.38       | .....     | .....     |
| 132999 Weighted average subsidy rate .....                  | 38.38       | .....     | .....     |
| Direct loan subsidy budget authority:                       |             |           |           |
| 133001 Section 514 Farm Labor Housing .....                 | 16          | .....     | .....     |
| 133999 Total subsidy budget authority .....                 | 16          | .....     | .....     |
| Direct loan subsidy outlays:                                |             |           |           |
| 134001 Section 514 Farm Labor Housing .....                 | 13          | .....     | .....     |
| 134999 Total subsidy outlays .....                          | 13          | .....     | .....     |
| Direct loan downward reestimates:                           |             |           |           |
| 137001 Section 514 Farm Labor Housing .....                 | -2          | .....     | .....     |
| 137999 Total downward reestimate budget authority .....     | -2          | .....     | .....     |

The direct farm labor loan program is authorized under section 514 and the rural housing for domestic farm labor grant program is authorized under section 516 of the Housing Act of 1949, as amended. The loans, grants, and contracts are made to public and private nonprofit organizations for low-rent housing and related facilities for domestic farm labor. Grants assistance may not exceed 90 percent of the cost of a project. Loans and grants may be used for construction of new structures, site acquisition and development, rehabilitation of existing structures, and purchase of furnishings and equipment for dwellings, dining halls,



community rooms, and infirmaries. In order to gain efficiencies in administering the program, the farm labor housing program was merged with the Rural Housing Insurance Fund (RHIF) in 2012.

RENTAL ASSISTANCE PROGRAM

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) or agreements entered into in lieu of debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949, **[\$904,653,000]** \$907,128,000; and, in addition, such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1992 to carry out the rental assistance program under section 521(a)(2) of the Act: *Provided*, That of this amount not less than **[\$1,500,000]** is available for newly constructed units financed by section 515 of the Housing Act of 1949, and not less than **[\$2,500,000]** \$3,000,000 is for newly constructed units financed under sections 514 and 516 of the Housing Act of 1949: *Provided further*, That rental assistance agreements entered into or renewed during the current fiscal year shall be funded for a 1-year period: *Provided further*, That any unexpended balances remaining at the end of such one-year agreements may be transferred and used for the purposes of any debt reduction; maintenance, repair, or rehabilitation of any existing projects; preservation; and rental assistance activities authorized under title V of the Act: *Provided further*, That rental assistance provided under agreements entered into prior to fiscal year **[2012]** 2013 for a farm labor multi-family housing project financed under section 514 or 516 of the Act may not be recaptured for use in another project until such assistance has remained unused for a period of 12 consecutive months, if such project has a waiting list of tenants seeking such assistance or the project has rental assistance eligible tenants who are not receiving such assistance: *Provided further*, That such recaptured rental assistance shall, to the extent practicable, be applied to another farm labor multi-family housing project financed under section 514 or 516 of the Act. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-0137-0-1-604                           | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                       |             |           |           |
| 0001 Rental assistance program .....                          | 954         | 905       | 907       |
| 0900 Total new obligations (object class 41.0) .....          | 954         | 905       | 907       |
| <b>Budgetary Resources:</b>                                   |             |           |           |
| Budget authority:                                             |             |           |           |
| Appropriations, discretionary:                                |             |           |           |
| 1100 Appropriation .....                                      | 956         | 905       | 907       |
| 1100 Appropriation .....                                      | 30          | 40        | 34        |
| 1130 Appropriations permanently reduced .....                 | -2          |           |           |
| 1139 Appropriations substituted for borrowing authority ..... | -30         | -40       | -34       |
| 1160 Appropriation, discretionary (total) .....               | 954         | 905       | 907       |
| 1930 Total budgetary resources available .....                | 954         | 905       | 907       |
| <b>Change in obligated balance:</b>                           |             |           |           |
| Obligated balance, start of year (net):                       |             |           |           |
| 3000 Unpaid obligations, appropriation, start of year .....   | 1,316       | 1,186     | 1,082     |
| 3030 Obligations incurred, unexpired accounts .....           | 954         | 905       | 907       |
| 3031 Obligations incurred, expired accounts .....             | 1           |           |           |
| 3040 Outlays (gross) .....                                    | -1,085      | -1,009    | -953      |
| Obligated balance, end of year (net):                         |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....            | 1,186       | 1,082     | 1,036     |
| 3100 Obligated balance, end of year (net) .....               | 1,186       | 1,082     | 1,036     |
| <b>Budget authority and outlays, net:</b>                     |             |           |           |
| Discretionary:                                                |             |           |           |
| 4000 Budget authority, gross .....                            | 954         | 905       | 907       |
| Outlays, gross:                                               |             |           |           |
| 4010 Outlays from new discretionary authority .....           | 159         | 226       | 227       |
| 4011 Outlays from discretionary balances .....                | 926         | 783       | 726       |
| 4020 Outlays, gross (total) .....                             | 1,085       | 1,009     | 953       |
| 4180 Budget authority, net (total) .....                      | 954         | 905       | 907       |

|                                 |       |       |     |
|---------------------------------|-------|-------|-----|
| 4190 Outlays, net (total) ..... | 1,085 | 1,009 | 953 |
|---------------------------------|-------|-------|-----|

The rental assistance program is authorized under section 521(a)(2) of the Housing Act of 1949, as amended, and is designed to reduce rent expenses for very low-income and low-income families living in RHS-financed rural rental and farm labor housing projects. Funding under this account is provided for renewals of existing rental assistance contracts and assistance for newly constructed units financed by the section 515 loan program and the 514/516 farm labor housing loan and grant programs. At USDA's discretion, some funds may also be used for additional servicing assistance for existing projects. For 2013, the request for rental assistance grants is for one year contracts with one-year availability, with a total funding level of \$907.1 million.

The 2013 Budget proposes legislation to gain authorities for RHS to have access to the Health and Human Services National Database of New Hires as well as the IRS data, similar to what the Department of Housing and Urban Development has for its projects-based rental program.

From 1978 through 1991, the rental assistance program was funded under the Rural Housing Insurance Fund (RHIF). Beginning in 1992, pursuant to Credit Reform, a separate grant account was established for this program. Prior year obligations are funded with "such sums" amounts to cover those pre-credit reform contracts in RHIF.

MULTI-FAMILY HOUSING REVITALIZATION PROGRAM ACCOUNT

For the rural housing voucher program as authorized under section 542 of the Housing Act of 1949, but notwithstanding subsection (b) of such section, and for additional costs to conduct a demonstration program for the preservation and revitalization of multi-family rental housing properties described in this paragraph, **[\$13,000,000]** \$46,942,000, to remain available until expended: *Provided*, That of the funds made available under this heading, **[\$11,000,000]** \$12,575,000, shall be available for rural housing vouchers to any low-income household (including those not receiving rental assistance) residing in a property financed with a section 515 loan which has been prepaid after September 30, 2005: *Provided further*, That the amount of such voucher shall be the difference between comparable market rent for the section 515 unit and the tenant paid rent for such unit: *Provided further*, That funds made available for such vouchers shall be subject to the availability of annual appropriations: *Provided further*, That the Secretary shall, to the maximum extent practicable, administer such vouchers with current regulations and administrative guidance applicable to section 8 housing vouchers administered by the Secretary of the [Department of the Department of the] Department of Housing and Urban Development: *Provided further*, That if the Secretary determines that the amount made available for vouchers in this or any other Act is not needed for vouchers, the Secretary may use such funds for the demonstration program for the preservation and revitalization of multi-family rental housing properties described in this paragraph: *Provided further*, That of the funds made available under this heading, **[\$2,000,000]** \$34,367,000 shall be available for a demonstration program for the preservation and revitalization of the sections 514, 515, and 516 multi-family rental housing properties to restructure existing USDA multi-family housing loans, as the Secretary deems appropriate, expressly for the purposes of ensuring the project has sufficient resources to preserve the project for the purpose of providing safe and affordable housing for low-income residents and farm laborers including reducing or eliminating interest; deferring loan payments, subordinating, reducing or reamortizing loan debt; and other financial assistance including advances, payments and incentives (including the ability of owners to obtain reasonable returns on investment) required by the Secretary: *Provided further*, That the Secretary shall as part of the preservation and revitalization agreement obtain a restrictive use agreement consistent with the terms of the restructuring: *Provided further*, That if the Secretary determines that additional funds for vouchers described in this paragraph are needed, funds for the preservation and revitalization demonstration program may be used for such vouchers: *Provided further*, That if Con-

MULTI-FAMILY HOUSING REVITALIZATION PROGRAM ACCOUNT—Continued  
Congress enacts legislation to permanently authorize a multi-family rental housing loan restructuring program similar to the demonstration program described herein, the Secretary may use funds made available for the demonstration program under this heading to carry out such legislation with the prior [approval of] notification to the Committees on Appropriations of both Houses of Congress: *Provided further*, That in addition to any other available funds, the Secretary may expend not more than \$1,000,000 total, from the program funds made available under this heading, for administrative expenses for activities funded under this heading. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

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

| Identification code 12-2002-0-1-604                               | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                           |             |           |           |
| 0010 Grants .....                                                 | 9           | 27        | 16        |
| Credit program obligations:                                       |             |           |           |
| 0701 Direct loan subsidy .....                                    | 12          | 11        | 31        |
| 0703 Subsidy for modifications of direct loans .....              | 3           | 1         | .....     |
| 0705 Reestimates of direct loan subsidy .....                     | 6           | 44        | .....     |
| 0706 Interest on reestimates of direct loan subsidy .....         | 1           | 6         | .....     |
| 0709 Administrative expenses .....                                | 2           | 1         | .....     |
| 0791 Direct program activities, subtotal .....                    | 24          | 63        | 31        |
| 0900 Total new obligations (object class 41.0) .....              | 33          | 90        | 47        |
| <b>Budgetary Resources:</b>                                       |             |           |           |
| Unobligated balance:                                              |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....             | 25          | 27        | .....     |
| 1020 Adjustment of unobligated bal brought forward, Oct 1 .....   | -6          | .....     | .....     |
| 1021 Recoveries of prior year unpaid obligations .....            | 4           | .....     | .....     |
| 1050 Unobligated balance (total) .....                            | 23          | 27        | .....     |
| Budget authority:                                                 |             |           |           |
| Appropriations, discretionary:                                    |             |           |           |
| 1100 Appropriation .....                                          | 30          | 13        | 47        |
| 1160 Appropriation, discretionary (total) .....                   | 30          | 13        | 47        |
| Appropriations, mandatory:                                        |             |           |           |
| 1200 Appropriation .....                                          | 7           | 50        | .....     |
| 1260 Appropriations, mandatory (total) .....                      | 7           | 50        | .....     |
| 1900 Budget authority (total) .....                               | 37          | 63        | 47        |
| 1930 Total budgetary resources available .....                    | 60          | 90        | 47        |
| Memorandum (non-add) entries:                                     |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....             | 27          | .....     | .....     |
| <b>Change in obligated balance:</b>                               |             |           |           |
| Obligated balance, start of year (net):                           |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 67          | 47        | 52        |
| 3030 Obligations incurred, unexpired accounts .....               | 33          | 90        | 47        |
| 3040 Outlays (gross) .....                                        | -48         | -85       | -37       |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -4          | .....     | .....     |
| 3081 Recoveries of prior year unpaid obligations, expired .....   | -1          | .....     | .....     |
| Obligated balance, end of year (net):                             |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                | 47          | 52        | 62        |
| 3100 Obligated balance, end of year (net) .....                   | 47          | 52        | 62        |
| <b>Budget authority and outlays, net:</b>                         |             |           |           |
| Discretionary:                                                    |             |           |           |
| 4000 Budget authority, gross .....                                | 30          | 13        | 47        |
| Outlays, gross:                                                   |             |           |           |
| 4010 Outlays from new discretionary authority .....               | 4           | 4         | 6         |
| 4011 Outlays from discretionary balances .....                    | 37          | 31        | 31        |
| 4020 Outlays, gross (total) .....                                 | 41          | 35        | 37        |
| Mandatory:                                                        |             |           |           |
| 4090 Budget authority, gross .....                                | 7           | 50        | .....     |
| Outlays, gross:                                                   |             |           |           |
| 4100 Outlays from new mandatory authority .....                   | 7           | 50        | .....     |
| 4180 Budget authority, net (total) .....                          | 37          | 63        | 47        |
| 4190 Outlays, net (total) .....                                   | 48          | 85        | 37        |

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

| Identification code 12-2002-0-1-604                         | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------|-------------|-----------|-----------|
| Direct loan levels supportable by subsidy budget authority: |             |           |           |
| 115001 Multi-Family Housing Relending Demo .....            | 8           | 8         | .....     |
| 115002 Multi-Family Housing Revitalization Seconds .....    | 10          | 5         | 31        |

|                                                                    |       |       |       |
|--------------------------------------------------------------------|-------|-------|-------|
| 115003 Multi-Family Revitalization Zero .....                      | 5     | 9     | 20    |
| 115999 Total direct loan levels .....                              | 23    | 22    | 51    |
| Direct loan subsidy (in percent):                                  |       |       |       |
| 132001 Multi-Family Housing Relending Demo .....                   | 41.34 | 36.84 | ..... |
| 132002 Multi-Family Housing Revitalization Seconds .....           | 62.71 | 61.74 | 61.44 |
| 132003 Multi-Family Revitalization Zero .....                      | 45.18 | 54.29 | 58.28 |
| 132999 Weighted average subsidy rate .....                         | 51.47 | 49.64 | 60.20 |
| Direct loan subsidy budget authority:                              |       |       |       |
| 133001 Multi-Family Housing Relending Demo .....                   | 3     | 3     | ..... |
| 133002 Multi-Family Housing Revitalization Seconds .....           | 7     | 3     | 19    |
| 133003 Multi-Family Revitalization Zero .....                      | 2     | 5     | 12    |
| 133999 Total subsidy budget authority .....                        | 12    | 11    | 31    |
| Direct loan subsidy outlays:                                       |       |       |       |
| 134001 Multi-Family Housing Relending Demo .....                   | 1     | 4     | 3     |
| 134002 Multi-Family Housing Revitalization Seconds .....           | 12    | 5     | 9     |
| 134003 Multi-Family Revitalization Zero .....                      | 7     | 2     | 2     |
| 134004 Multi-Family Housing Revitalization Seconds Disasters ..... | 1     | 1     | 1     |
| 134006 Multi-Family Housing Revitalization Modifications .....     | 10    | 6     | 3     |
| 134999 Total subsidy outlays .....                                 | 31    | 18    | 18    |
| Direct loan upward reestimates:                                    |       |       |       |
| 135001 Multi-Family Housing Relending Demo .....                   | 6     | ..... | ..... |
| 135003 Multi-Family Revitalization Zero .....                      | 1     | 1     | ..... |
| 135006 Multi-Family Housing Revitalization Modifications .....     | ..... | 48    | ..... |
| 135999 Total upward reestimate budget authority .....              | 7     | 49    | ..... |
| Direct loan downward reestimates:                                  |       |       |       |
| 137001 Multi-Family Housing Relending Demo .....                   | -6    | ..... | ..... |
| 137002 Multi-Family Housing Revitalization Seconds .....           | -2    | -3    | ..... |
| 137003 Multi-Family Revitalization Zero .....                      | ..... | -1    | ..... |
| 137006 Multi-Family Housing Revitalization Modifications .....     | ..... | -6    | ..... |
| 137999 Total downward reestimate budget authority .....            | -8    | -10   | ..... |

USDA's portfolio of multifamily housing projects provides housing for nearly half a million low-income families, many of whom are elderly. Recent Federal court rulings allow projects that received their financing prior to 1989 to prepay and leave the program. Current law allows USDA to assist families displaced by sponsors' prepayments by providing them with letters of priority and vouchers, which were newly funded in 2006. The Budget requests \$12.6 million in 2013 for housing vouchers for residents of projects whose sponsors prepay their outstanding indebtedness on USDA loans and leave the program. In addition, the Budget requests \$34.4 million for a continuation of the multi-family housing revitalization pilot program in 2013. This funding will allow USDA to focus on the management of their current multifamily housing portfolio to ensure that the USDA-financed properties continue to provide decent, safe, affordable housing for their rural tenant population.

Prior year obligated balances reflect funding for rental assistance for newly constructed units provided in limited amounts in 1984 and 1985. From 1986 through 1991 rental assistance for newly constructed units, as well as existing rental assistance contract renewals and additional servicing assistance for existing projects, had been funded under the Rural Housing Insurance Fund. Beginning in 1992, pursuant to Credit Reform, a separate grant account was established for the rental assistance program.

**MULTIFAMILY HOUSING REVITALIZATION DIRECT LOAN FINANCING ACCOUNT**

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

| Identification code 12-4269-0-3-604                    | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                |             |           |           |
| Credit program obligations:                            |             |           |           |
| 0710 Direct loan obligations .....                     | 23          | 22        | 51        |
| 0713 Payment of interest to Treasury .....             | 11          | 14        | 15        |
| 0715 Other .....                                       | 1           | .....     | .....     |
| 0742 Downward reestimate paid to receipt account ..... | 7           | 10        | .....     |
| 0743 Interest on downward reestimates .....            | 1           | 1         | .....     |
| 0744 Adjusting payments to liquidating accounts .....  | 42          | .....     | .....     |
| 0900 Total new obligations .....                       | 85          | 47        | 66        |

| <b>Budgetary Resources:</b>                                  |                                                                                                                           |      |      |
|--------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|------|------|
| Unobligated balance:                                         |                                                                                                                           |      |      |
| 1000                                                         | Unobligated balance brought forward, Oct 1 .....                                                                          | 20   | 25   |
| 1021                                                         | Recoveries of prior year unpaid obligations .....                                                                         | 23   |      |
| 1023                                                         | Unobligated balances applied to repay debt .....                                                                          | -33  | -25  |
| 1024                                                         | Unobligated balance of borrowing authority withdrawn .....                                                                | -10  |      |
| Financing authority:                                         |                                                                                                                           |      |      |
| Borrowing authority, mandatory:                              |                                                                                                                           |      |      |
| 1400                                                         | Borrowing authority .....                                                                                                 | 52   | 51   |
| 1440                                                         | Borrowing authority, mandatory (total) .....                                                                              | 52   | 51   |
| Spending authority from offsetting collections, mandatory:   |                                                                                                                           |      |      |
| 1800                                                         | Collected .....                                                                                                           | 99   | 74   |
| 1801                                                         | Change in uncollected payments, Federal sources .....                                                                     | -19  | 4    |
| 1825                                                         | Spending authority from offsetting collections applied to repay debt .....                                                | -22  | -31  |
| 1850                                                         | Spending auth from offsetting collections, mand (total) .....                                                             | 58   | 47   |
| 1900                                                         | Financing authority (total) .....                                                                                         | 110  | 47   |
| 1930                                                         | Total budgetary resources available .....                                                                                 | 110  | 47   |
| Memorandum (non-add) entries:                                |                                                                                                                           |      |      |
| 1941                                                         | Unexpired unobligated balance, end of year .....                                                                          | 25   |      |
| <b>Change in obligated balance:</b>                          |                                                                                                                           |      |      |
| Obligated balance, start of year (net):                      |                                                                                                                           |      |      |
| 3000                                                         | Unpaid obligations, brought forward, Oct 1 (gross) .....                                                                  | 234  | 150  |
| 3010                                                         | Uncollected pymts, Fed sources, brought forward, Oct 1 .....                                                              | -59  | -40  |
| 3020                                                         | Obligated balance, start of year (net) .....                                                                              | 175  | 110  |
| 3030                                                         | Obligations incurred, unexpired accounts .....                                                                            | 85   | 47   |
| 3040                                                         | Financing disbursements (gross) .....                                                                                     | -146 | -104 |
| 3050                                                         | Change in uncollected pymts, Fed sources, unexpired .....                                                                 | 19   | -4   |
| 3080                                                         | Recoveries of prior year unpaid obligations, unexpired .....                                                              | -23  |      |
| Obligated balance, end of year (net):                        |                                                                                                                           |      |      |
| 3090                                                         | Unpaid obligations, end of year (gross) .....                                                                             | 150  | 93   |
| 3091                                                         | Uncollected pymts, Fed sources, end of year .....                                                                         | -40  | -44  |
| 3100                                                         | Obligated balance, end of year (net) .....                                                                                | 110  | 49   |
| <b>Financing authority and disbursements, net:</b>           |                                                                                                                           |      |      |
| Mandatory:                                                   |                                                                                                                           |      |      |
| 4090                                                         | Financing authority, gross .....                                                                                          | 110  | 47   |
| Financing disbursements:                                     |                                                                                                                           |      |      |
| 4110                                                         | Financing disbursements, gross .....                                                                                      | 146  | 104  |
| Offsets against gross financing authority and disbursements: |                                                                                                                           |      |      |
| Offsetting collections (collected) from:                     |                                                                                                                           |      |      |
| 4120                                                         | Federal sources - subsidy outlays from program account .....                                                              | -38  | -67  |
| 4120                                                         | Revitalization loan transfers .....                                                                                       | -55  |      |
| 4122                                                         | Interest on uninvested funds .....                                                                                        | -5   | -6   |
| 4123                                                         | Repayments of Principal .....                                                                                             | -1   | -1   |
| 4123                                                         | Interest received on loans .....                                                                                          |      | -1   |
| 4130                                                         | Offsets against gross financing auth and disbursements (total) .....                                                      | -99  | -74  |
| 4140                                                         | Additional offsets against financing authority only (total):<br>Change in uncollected pymts, Fed sources, unexpired ..... | 19   | -4   |
| 4160                                                         | Financing authority, net (mandatory) .....                                                                                | 30   | -31  |
| 4170                                                         | Financing disbursements, net (mandatory) .....                                                                            | 47   | 30   |
| 4180                                                         | Financing authority, net (total) .....                                                                                    | 30   | -31  |
| 4190                                                         | Financing disbursements, net (total) .....                                                                                | 47   | 30   |

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

| Identification code 12-4269-0-3-604                                    | 2011 actual                                               | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|-----------------------------------------------------------|-----------|-----------|
| Position with respect to appropriations act limitation on obligations: |                                                           |           |           |
| 1131                                                                   | Direct loan obligations exempt from limitation .....      | 23        | 22        |
| 1150                                                                   | Total direct loan obligations .....                       | 23        | 22        |
| Cumulative balance of direct loans outstanding:                        |                                                           |           |           |
| 1210                                                                   | Outstanding, start of year .....                          | 222       | 348       |
| Disbursements:                                                         |                                                           |           |           |
| 1231                                                                   | Direct loan disbursements .....                           | 32        | 20        |
| 1233                                                                   | Purchase of loans assets from a liquidating account ..... | 95        | 59        |
| 1251                                                                   | Repayments: Repayments and prepayments .....              | -1        | -1        |
| 1290                                                                   | Outstanding, end of year .....                            | 348       | 426       |

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

| Identification code 12-4269-0-3-604 | 2010 actual                                       | 2011 actual |
|-------------------------------------|---------------------------------------------------|-------------|
| <b>ASSETS:</b>                      |                                                   |             |
| 1101                                | Federal assets: Fund balances with Treasury ..... | 20          |

|                                                                   |                                                           |      |
|-------------------------------------------------------------------|-----------------------------------------------------------|------|
| Net value of assets related to post-1991 direct loans receivable: |                                                           |      |
| 1401                                                              | Direct loans receivable, gross .....                      | 222  |
| 1402                                                              | Interest receivable .....                                 | 25   |
| 1405                                                              | Allowance for subsidy cost (-) .....                      | -111 |
| 1499                                                              | Net present value of assets related to direct loans ..... | 111  |
| 1999                                                              | Total assets .....                                        | 131  |
| <b>LIABILITIES:</b>                                               |                                                           |      |
| 2104                                                              | Federal liabilities: Resources payable to Treasury .....  | 131  |
| 4999                                                              | Total upward reestimate subsidy BA [12-2002] .....        | 131  |

**MUTUAL AND SELF-HELP HOUSING GRANTS**

For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), **[\$30,000,000] \$10,000,000**, to remain available until expended **[**: *Provided*, That of the total amount appropriated under this heading, the amount equal to the amount of Mutual and Self-Help Housing Grants allocated by the Secretary for Rural Economic Area Partnership Zones for the fiscal year 2011, shall be available through June 30, 2012, for communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones **]**. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

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

| Identification code 12-2006-0-1-604     | 2011 actual                                     | 2012 est. | 2013 est. |
|-----------------------------------------|-------------------------------------------------|-----------|-----------|
| <b>Obligations by program activity:</b> |                                                 |           |           |
| 0001                                    | Mutual and self-help housing grants .....       | 34        | 49        |
| 0900                                    | Total new obligations (object class 41.0) ..... | 34        | 49        |

| <b>Budgetary Resources:</b>    |                                                   |    |    |
|--------------------------------|---------------------------------------------------|----|----|
| Unobligated balance:           |                                                   |    |    |
| 1000                           | Unobligated balance brought forward, Oct 1 .....  | 15 | 19 |
| 1021                           | Recoveries of prior year unpaid obligations ..... | 1  |    |
| 1050                           | Unobligated balance (total) .....                 | 16 | 19 |
| Budget authority:              |                                                   |    |    |
| Appropriations, discretionary: |                                                   |    |    |
| 1100                           | Appropriation .....                               | 37 | 30 |
| 1160                           | Appropriation, discretionary (total) .....        | 37 | 30 |
| 1930                           | Total budgetary resources available .....         | 53 | 49 |
| Memorandum (non-add) entries:  |                                                   |    |    |
| 1941                           | Unexpired unobligated balance, end of year .....  | 19 |    |

| <b>Change in obligated balance:</b>     |                                                              |     |     |
|-----------------------------------------|--------------------------------------------------------------|-----|-----|
| Obligated balance, start of year (net): |                                                              |     |     |
| 3000                                    | Unpaid obligations, brought forward, Oct 1 (gross) .....     | 64  | 64  |
| 3030                                    | Obligations incurred, unexpired accounts .....               | 34  | 49  |
| 3040                                    | Outlays (gross) .....                                        | -33 | -38 |
| 3080                                    | Recoveries of prior year unpaid obligations, unexpired ..... | -1  |     |
| Obligated balance, end of year (net):   |                                                              |     |     |
| 3090                                    | Unpaid obligations, end of year (gross) .....                | 64  | 75  |
| 3100                                    | Obligated balance, end of year (net) .....                   | 64  | 75  |

| <b>Budget authority and outlays, net:</b> |                                                |    |    |
|-------------------------------------------|------------------------------------------------|----|----|
| Discretionary:                            |                                                |    |    |
| 4000                                      | Budget authority, gross .....                  | 37 | 30 |
| Outlays, gross:                           |                                                |    |    |
| 4010                                      | Outlays from new discretionary authority ..... | 3  | 5  |
| 4011                                      | Outlays from discretionary balances .....      | 30 | 33 |
| 4020                                      | Outlays, gross (total) .....                   | 33 | 38 |
| 4180                                      | Budget authority, net (total) .....            | 37 | 30 |
| 4190                                      | Outlays, net (total) .....                     | 33 | 38 |

This program is authorized under section 523 of the Housing Act of 1949, as amended. Grants and contracts are made for the purpose of providing technical and supervisory assistance to groups of families to enable them to build their own homes through the mutual exchange of labor. The 2013 Budget requests \$10 million. In addition to this funding, USDA has, for the first time, provided a set-aside funding level of \$141 million in the direct single family housing loan program until June 1st for

MUTUAL AND SELF-HELP HOUSING GRANTS—Continued

families that have built their own homes with technical assistance provided by this section 523 grant. This will ensure the overall outcome of this program to be even greater than before.

RURAL COMMUNITY FACILITIES PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct [and guaranteed] loans as authorized by section 306 and described in section 381E(d)(1) of the Consolidated Farm and Rural Development Act, [\$1,300,000,000 for direct loans and \$105,708,000 for guaranteed loans] \$2,000,000,000.

[For the cost of guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, \$5,000,000, to remain available until expended.]

For the cost of grants for rural community facilities programs as authorized by section 306 and described in section 381E(d)(1) of the Consolidated Farm and Rural Development Act, [\$24,291,000] \$25,000,000, to remain available until expended: *Provided*, That [\$3,621,000] \$8,000,000 of the amount appropriated under this heading shall be available for a Rural Community Development Initiative: *Provided further*, That such funds shall be used solely to develop the capacity and ability of private, nonprofit community-based housing and community development organizations, low-income rural communities, and Federally Recognized Native American Tribes to undertake projects to improve housing, community facilities, community and economic development projects in rural areas: *Provided further*, That such funds shall be made available to qualified private, nonprofit and public intermediary organizations proposing to carry out a program of financial and technical assistance: *Provided further*, That such intermediary organizations shall provide matching funds from other sources, including Federal funds for related activities, in an amount not less than funds provided: [*Provided further*, That \$5,938,000 of the amount appropriated under this heading shall be to provide grants for facilities in rural communities with extreme unemployment and severe economic depression (Public Law 106–387), with up to 5 percent for administration and capacity building in the State rural development offices:] *Provided further*, That [\$3,369,000] \$4,000,000 of the amount appropriated under this heading shall be available for community facilities grants to tribal colleges, as authorized by section 306(a)(19) of such Act[: *Provided further*, That of the amount appropriated under this heading, the amount equal to the amount of Rural Community Facilities Program Account funds allocated by the Secretary for Rural Economic Area Partnership Zones for the fiscal year 2011, shall be available through June 30, 2012, for communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones for the rural community programs described in section 381E(d)(1) of the Consolidated Farm and Rural Development Act]: *Provided further*, That sections 381E-H and 381N of the Consolidated Farm and Rural Development Act are not applicable to the funds made available under this heading. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12–1951–0–1–452                          | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                      |             |           |           |
| 0010 CF Grants .....                                         | 20          | 16        | 17        |
| 0012 Rural Community Development Initiative Grants .....     | 7           | 7         | 13        |
| 0013 Economic Impact Initiative Grants .....                 | 8           | 8         | .....     |
| 0015 Tribal College Grants .....                             | .....       | .....     | 1         |
| 0091 Direct program activities, subtotal .....               | 35          | 31        | 31        |
| Credit program obligations:                                  |             |           |           |
| 0701 Direct loan subsidy .....                               | 7           | .....     | .....     |
| 0702 Loan guarantee subsidy .....                            | 8           | 9         | 1         |
| 0705 Reestimates of direct loan subsidy .....                | 2           | 2         | .....     |
| 0706 Interest on reestimates of direct loan subsidy .....    | 8           | 1         | .....     |
| 0707 Reestimates of loan guarantee subsidy .....             | 21          | 15        | .....     |
| 0708 Interest on reestimates of loan guarantee subsidy ..... | 5           | 2         | .....     |
| 0791 Direct program activities, subtotal .....               | 51          | 29        | 1         |

|                                                                    |      |       |       |
|--------------------------------------------------------------------|------|-------|-------|
| 0900 Total new obligations (object class 41.0) .....               | 86   | 60    | 32    |
| <b>Budgetary Resources:</b>                                        |      |       |       |
| Unobligated balance:                                               |      |       |       |
| 1000 Unobligated balance brought forward, Oct 1 .....              | 27   | 14    | 7     |
| 1020 Adjustment of unobligated bal brought forward, Oct 1 .....    | -12  | ..... | ..... |
| 1021 Recoveries of prior year unpaid obligations .....             | 6    | 4     | ..... |
| 1050 Unobligated balance (total) .....                             | 21   | 18    | 7     |
| Budget authority:                                                  |      |       |       |
| Appropriations, discretionary:                                     |      |       |       |
| 1100 Appropriation .....                                           | 41   | 29    | 25    |
| 1160 Appropriation, discretionary (total) .....                    | 41   | 29    | 25    |
| Appropriations, mandatory:                                         |      |       |       |
| 1200 Appropriation .....                                           | 37   | 20    | ..... |
| 1260 Appropriations, mandatory (total) .....                       | 37   | 20    | ..... |
| Spending authority from offsetting collections, discretionary:     |      |       |       |
| 1700 Collected .....                                               | 1    | ..... | ..... |
| 1750 Spending auth from offsetting collections, disc (total) ..... | 1    | ..... | ..... |
| 1900 Budget authority (total) .....                                | 79   | 49    | 25    |
| 1930 Total budgetary resources available .....                     | 100  | 67    | 32    |
| Memorandum (non-add) entries:                                      |      |       |       |
| 1941 Unexpired unobligated balance, end of year .....              | 14   | 7     | ..... |
| <b>Change in obligated balance:</b>                                |      |       |       |
| Obligated balance, start of year (net):                            |      |       |       |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....      | 253  | 185   | 130   |
| 3030 Obligations incurred, unexpired accounts .....                | 86   | 60    | 32    |
| 3040 Outlays (gross) .....                                         | -146 | -111  | -73   |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....  | -6   | -4    | ..... |
| 3081 Recoveries of prior year unpaid obligations, expired .....    | -2   | ..... | ..... |
| Obligated balance, end of year (net):                              |      |       |       |
| 3090 Unpaid obligations, end of year (gross) .....                 | 185  | 130   | 89    |
| 3100 Obligated balance, end of year (net) .....                    | 185  | 130   | 89    |
| <b>Budget authority and outlays, net:</b>                          |      |       |       |
| Discretionary:                                                     |      |       |       |
| 4000 Budget authority, gross .....                                 | 42   | 29    | 25    |
| Outlays, gross:                                                    |      |       |       |
| 4010 Outlays from new discretionary authority .....                | 13   | 4     | 3     |
| 4011 Outlays from discretionary balances .....                     | 96   | 87    | 70    |
| 4020 Outlays, gross (total) .....                                  | 109  | 91    | 73    |
| Offsets against gross budget authority and outlays:                |      |       |       |
| Offsetting collections (collected) from:                           |      |       |       |
| 4033 Non-Federal sources .....                                     | -1   | ..... | ..... |
| Mandatory:                                                         |      |       |       |
| 4090 Budget authority, gross .....                                 | 37   | 20    | ..... |
| Outlays, gross:                                                    |      |       |       |
| 4100 Outlays from new mandatory authority .....                    | 37   | 20    | ..... |
| 4180 Budget authority, net (total) .....                           | 78   | 49    | 25    |
| 4190 Outlays, net (total) .....                                    | 145  | 111   | 73    |

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

| Identification code 12–1951–0–1–452                          | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------|-------------|-----------|-----------|
| Direct loan levels supportable by subsidy budget authority:  |             |           |           |
| 115002 Community Facility Loans .....                        | 490         | 1,300     | 2,000     |
| 115999 Total direct loan levels .....                        | 490         | 1,300     | 2,000     |
| Direct loan subsidy (in percent):                            |             |           |           |
| 132002 Community Facility Loans .....                        | 1.33        | -3.03     | -2.08     |
| 132999 Weighted average subsidy rate .....                   | 1.33        | -3.03     | -2.08     |
| Direct loan subsidy budget authority:                        |             |           |           |
| 133002 Community Facility Loans .....                        | 7           | -39       | -42       |
| 133999 Total subsidy budget authority .....                  | 7           | -39       | -42       |
| Direct loan subsidy outlays:                                 |             |           |           |
| 134002 Community Facility Loans .....                        | 9           | 4         | -12       |
| 134003 Community Facility Emergency Supplemental Loans ..... | 3           | 2         | .....     |
| 134004 Community Facility Loans - ARRA .....                 | 7           | 8         | 3         |
| 134999 Total subsidy outlays .....                           | 19          | 14        | -9        |
| Direct loan upward reestimates:                              |             |           |           |
| 135002 Community Facility Loans .....                        | 10          | 3         | .....     |
| 135999 Total upward reestimate budget authority .....        | 10          | 3         | .....     |
| Direct loan downward reestimates:                            |             |           |           |
| 137002 Community Facility Loans .....                        | -36         | -130      | .....     |
| 137999 Total downward reestimate budget authority .....      | -36         | -130      | .....     |

|                                                                 |                                                          |      |      |       |
|-----------------------------------------------------------------|----------------------------------------------------------|------|------|-------|
| Guaranteed loan levels supportable by subsidy budget authority: |                                                          |      |      |       |
| 215002                                                          | Community Facility Loan Guarantees .....                 | 196  | 191  | 16    |
| 215999                                                          | Total loan guarantee levels .....                        | 196  | 191  | 16    |
| Guaranteed loan subsidy (in percent):                           |                                                          |      |      |       |
| 232002                                                          | Community Facility Loan Guarantees .....                 | 3.95 | 4.73 | 6.75  |
| 232999                                                          | Weighted average subsidy rate .....                      | 3.95 | 4.73 | 0.00  |
| Guaranteed loan subsidy budget authority:                       |                                                          |      |      |       |
| 233002                                                          | Community Facility Loan Guarantees .....                 | 8    | 9    | ..... |
| 233999                                                          | Total subsidy budget authority .....                     | 8    | 9    | ..... |
| Guaranteed loan subsidy outlays:                                |                                                          |      |      |       |
| 234002                                                          | Community Facility Loan Guarantees .....                 | 7    | 2    | 3     |
| 234999                                                          | Total subsidy outlays .....                              | 7    | 2    | 3     |
| Guaranteed loan upward reestimates:                             |                                                          |      |      |       |
| 235002                                                          | Community Facility Loan Guarantees .....                 | 27   | 17   | ..... |
| 235999                                                          | Total upward reestimate budget authority .....           | 27   | 17   | ..... |
| Guaranteed loan downward reestimates:                           |                                                          |      |      |       |
| 237002                                                          | Community Facility Loan Guarantees .....                 | -13  | -2   | ..... |
| 237999                                                          | Total downward reestimate subsidy budget authority ..... | -13  | -2   | ..... |

This account funds the direct and guaranteed community facility loans and community facility grants, which are authorized under sections 306(a)(1) and 306(a)(19) of the Consolidated Farm and Rural Development Act, as amended. Loans are provided to local governments and nonprofit organizations for the construction and improvement of community facilities providing essential services in rural areas of not more than 20,000 population, such as hospitals and fire stations. Total program level in 2013 is projected to be \$2 billion for direct loans. The 2013 Budget proposes no guaranteed loans, due to an increase in the cost of the program and because it is likely that some demand for the guarantee program will be filled with the increase in the direct loan program. The 2013 Budget requests \$25 million. This includes \$8 million for Rural Community Development Initiative (RCDI) grants, which will be used to support regional economic development strategies and will be instrumental in carrying out the Regional Innovation Initiative. In addition, \$4 million is included for Tribal College grants.

RURAL COMMUNITY FACILITY DIRECT LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4225-0-3-452                        | 2011 actual                                                                | 2012 est. | 2013 est. |       |
|------------------------------------------------------------|----------------------------------------------------------------------------|-----------|-----------|-------|
| <b>Obligations by program activity:</b>                    |                                                                            |           |           |       |
| Credit program obligations:                                |                                                                            |           |           |       |
| 0710                                                       | Direct loan obligations .....                                              | 490       | 1,300     | 2,000 |
| 0713                                                       | Payment of interest to Treasury .....                                      | 175       | 200       | 215   |
| 0740                                                       | Negative subsidy obligations .....                                         | .....     | 39        | 42    |
| 0742                                                       | Downward reestimate paid to receipt account .....                          | 33        | 102       | ..... |
| 0743                                                       | Interest on downward reestimates .....                                     | 2         | 27        | ..... |
| 0900                                                       | Total new obligations .....                                                | 700       | 1,668     | 2,257 |
| <b>Budgetary Resources:</b>                                |                                                                            |           |           |       |
| Unobligated balance:                                       |                                                                            |           |           |       |
| 1000                                                       | Unobligated balance brought forward, Oct 1 .....                           | 54        | 35        | ..... |
| 1021                                                       | Recoveries of prior year unpaid obligations .....                          | 74        | .....     | ..... |
| 1023                                                       | Unobligated balances applied to repay debt .....                           | -56       | -35       | ..... |
| 1024                                                       | Unobligated balance of borrowing authority withdrawn .....                 | -72       | .....     | ..... |
| Financing authority:                                       |                                                                            |           |           |       |
| Borrowing authority, mandatory:                            |                                                                            |           |           |       |
| 1400                                                       | Borrowing authority .....                                                  | 579       | 1,291     | 1,759 |
| 1440                                                       | Borrowing authority, mandatory (total) .....                               | 579       | 1,291     | 1,759 |
| Spending authority from offsetting collections, mandatory: |                                                                            |           |           |       |
| 1800                                                       | Collected .....                                                            | 349       | 413       | 498   |
| 1801                                                       | Change in uncollected payments, Federal sources .....                      | -15       | -36       | ..... |
| 1825                                                       | Spending authority from offsetting collections applied to repay debt ..... | -178      | .....     | ..... |
| 1850                                                       | Spending auth from offsetting collections, mand (total) .....              | 156       | 377       | 498   |
| 1900                                                       | Financing authority (total) .....                                          | 735       | 1,668     | 2,257 |
| 1930                                                       | Total budgetary resources available .....                                  | 735       | 1,668     | 2,257 |

|                                                              |                                                                      |       |        |        |
|--------------------------------------------------------------|----------------------------------------------------------------------|-------|--------|--------|
| Memorandum (non-add) entries:                                |                                                                      |       |        |        |
| 1941                                                         | Unexpired unobligated balance, end of year .....                     | 35    | .....  | .....  |
| <b>Change in obligated balance:</b>                          |                                                                      |       |        |        |
| Obligated balance, start of year (net):                      |                                                                      |       |        |        |
| 3000                                                         | Unpaid obligations, brought forward, Oct 1 (gross) .....             | 2,240 | 1,993  | 2,186  |
| 3010                                                         | Uncollected pymts, Fed sources, brought forward, Oct 1 .....         | -51   | -36    | .....  |
| 3020                                                         | Obligated balance, start of year (net) .....                         | 2,189 | 1,957  | 2,186  |
| 3030                                                         | Obligations incurred, unexpired accounts .....                       | 700   | 1,668  | 2,257  |
| 3040                                                         | Financing disbursements (gross) .....                                | -873  | -1,475 | -1,491 |
| 3050                                                         | Change in uncollected pymts, Fed sources, unexpired .....            | 15    | 36     | .....  |
| 3080                                                         | Recoveries of prior year unpaid obligations, unexpired .....         | -74   | .....  | .....  |
| Obligated balance, end of year (net):                        |                                                                      |       |        |        |
| 3090                                                         | Unpaid obligations, end of year (gross) .....                        | 1,993 | 2,186  | 2,952  |
| 3091                                                         | Uncollected pymts, Fed sources, end of year .....                    | -36   | .....  | .....  |
| 3100                                                         | Obligated balance, end of year (net) .....                           | 1,957 | 2,186  | 2,952  |
| <b>Financing authority and disbursements, net:</b>           |                                                                      |       |        |        |
| Mandatory:                                                   |                                                                      |       |        |        |
| 4090                                                         | Financing authority, gross .....                                     | 735   | 1,668  | 2,257  |
| Financing disbursements:                                     |                                                                      |       |        |        |
| 4110                                                         | Financing disbursements, gross .....                                 | 873   | 1,475  | 1,491  |
| Offsets against gross financing authority and disbursements: |                                                                      |       |        |        |
| Offsetting collections (collected) from:                     |                                                                      |       |        |        |
| 4120                                                         | Federal sources .....                                                | -29   | -22    | -9     |
| 4122                                                         | Interest on uninvested funds .....                                   | -21   | -47    | -59    |
| 4123                                                         | Repayment of principal .....                                         | -299  | -178   | -223   |
| 4123                                                         | Interest received on loans .....                                     | ..... | -166   | -207   |
| 4130                                                         | Offsets against gross financing auth and disbursements (total) ..... | -349  | -413   | -498   |
| Additional offsets against financing authority only (total): |                                                                      |       |        |        |
| 4140                                                         | Change in uncollected pymts, Fed sources, unexpired .....            | 15    | 36     | .....  |
| 4160                                                         | Financing authority, net (mandatory) .....                           | 401   | 1,291  | 1,759  |
| 4170                                                         | Financing disbursements, net (mandatory) .....                       | 524   | 1,062  | 993    |
| 4180                                                         | Financing authority, net (total) .....                               | 401   | 1,291  | 1,759  |
| 4190                                                         | Financing disbursements, net (total) .....                           | 524   | 1,062  | 993    |

Status of Direct Loans (in millions of dollars)

| Identification code 12-4225-0-3-452                                    | 2011 actual                                          | 2012 est. | 2013 est. |       |
|------------------------------------------------------------------------|------------------------------------------------------|-----------|-----------|-------|
| Position with respect to appropriations act limitation on obligations: |                                                      |           |           |       |
| 1131                                                                   | Direct loan obligations exempt from limitation ..... | 490       | 1,300     | 2,000 |
| 1150                                                                   | Total direct loan obligations .....                  | 490       | 1,300     | 2,000 |
| Cumulative balance of direct loans outstanding:                        |                                                      |           |           |       |
| 1210                                                                   | Outstanding, start of year .....                     | 3,240     | 3,737     | 4,660 |
| 1231                                                                   | Disbursements: Direct loan disbursements .....       | 663       | 1,102     | 1,217 |
| 1251                                                                   | Repayments: Repayments and prepayments .....         | -155      | -179      | -223  |
| Write-offs for default:                                                |                                                      |           |           |       |
| 1263                                                                   | Direct loans .....                                   | -9        | .....     | ..... |
| 1264                                                                   | Other adjustments, net (+ or -) .....                | -2        | .....     | ..... |
| 1290                                                                   | Outstanding, end of year .....                       | 3,737     | 4,660     | 5,654 |

This account reflects the funding from direct community facility loans to non-profit organizations and local governments for the construction and improvement of community facilities providing essential services in rural areas, such as hospitals, libraries, and fire/police stations.

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

Balance Sheet (in millions of dollars)

| Identification code 12-4225-0-3-452                               | 2010 actual                                       | 2011 actual |       |
|-------------------------------------------------------------------|---------------------------------------------------|-------------|-------|
| <b>ASSETS:</b>                                                    |                                                   |             |       |
| 1101                                                              | Federal assets: Fund balances with Treasury ..... | 135         | 111   |
| Net value of assets related to post-1991 direct loans receivable: |                                                   |             |       |
| 1401                                                              | Direct loans receivable, gross .....              | 3,240       | 3,737 |
| 1402                                                              | Interest receivable .....                         | 35          | 35    |
| 1405                                                              | Allowance for subsidy cost (-) .....              | -193        | -171  |

RURAL COMMUNITY FACILITY DIRECT LOANS FINANCING ACCOUNT—Continued  
Balance Sheet—Continued

| Identification code 12-4225-0-3-452                            | 2010 actual | 2011 actual |
|----------------------------------------------------------------|-------------|-------------|
| 1499 Net present value of assets related to direct loans ..... | 3,082       | 3,601       |
| 1999 Total assets .....                                        | 3,217       | 3,712       |
| <b>LIABILITIES:</b>                                            |             |             |
| 2101 Federal liabilities: Accounts payable .....               | 3,217       | 3,712       |
| 4999 Total liabilities and net position .....                  | 3,217       | 3,712       |

RURAL COMMUNITY FACILITY GUARANTEED LOANS FINANCING ACCOUNT  
Program and Financing (in millions of dollars)

| Identification code 12-4228-0-3-452                                                           | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                                       |             |           |           |
| Credit program obligations:                                                                   |             |           |           |
| 0711 Default claim payments on principal .....                                                | 7           | 8         | 8         |
| 0742 Downward reestimate paid to receipt account .....                                        | 11          | 2         | .....     |
| 0743 Interest on downward reestimates .....                                                   | 3           | 1         | .....     |
| 0900 Total new obligations .....                                                              | 21          | 11        | 8         |
| <b>Budgetary Resources:</b>                                                                   |             |           |           |
| Unobligated balance:                                                                          |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                                         | 61          | 63        | .....     |
| 1023 Unobligated balances applied to repay debt .....                                         | -20         | -63       | .....     |
| 1050 Unobligated balance (total) .....                                                        | 41          | .....     | .....     |
| Financing authority:                                                                          |             |           |           |
| Borrowing authority, mandatory:                                                               |             |           |           |
| 1400 Borrowing authority .....                                                                | 2           | .....     | .....     |
| 1440 Borrowing authority, mandatory (total) .....                                             | 2           | .....     | .....     |
| Spending authority from offsetting collections, mandatory:                                    |             |           |           |
| 1800 Collected .....                                                                          | 41          | 23        | 8         |
| 1820 Capital transfer of spending authority from offsetting collections to general fund ..... | .....       | -12       | .....     |
| 1850 Spending auth from offsetting collections, mand (total) .....                            | 41          | 11        | 8         |
| 1900 Financing authority (total) .....                                                        | 43          | 11        | 8         |
| 1930 Total budgetary resources available .....                                                | 84          | 11        | 8         |
| Memorandum (non-add) entries:                                                                 |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                                         | 63          | .....     | .....     |
| <b>Change in obligated balance:</b>                                                           |             |           |           |
| 3030 Obligations incurred, unexpired accounts .....                                           | 21          | 11        | 8         |
| 3040 Financing disbursements (gross) .....                                                    | -21         | -11       | -8        |

|                                                                           |     |     |       |
|---------------------------------------------------------------------------|-----|-----|-------|
| <b>Financing authority and disbursements, net:</b>                        |     |     |       |
| Mandatory:                                                                |     |     |       |
| 4090 Financing authority, gross .....                                     | 43  | 11  | 8     |
| Financing disbursements:                                                  |     |     |       |
| 4110 Financing disbursements, gross .....                                 | 21  | 11  | 8     |
| Offsets against gross financing authority and disbursements:              |     |     |       |
| Offsetting collections (collected) from:                                  |     |     |       |
| 4120 Federal sources .....                                                | -34 | -18 | -3    |
| 4122 Interest on uninvested funds .....                                   | -2  | -3  | -3    |
| 4123 Non-Federal sources, Guarantee Fees .....                            | -5  | -2  | -2    |
| 4130 Offsets against gross financing auth and disbursements (total) ..... | -41 | -23 | -8    |
| 4160 Financing authority, net (mandatory) .....                           | 2   | -12 | ..... |
| 4170 Financing disbursements, net (mandatory) .....                       | -20 | -12 | ..... |
| 4180 Financing authority, net (total) .....                               | 2   | -12 | ..... |
| 4190 Financing disbursements, net (total) .....                           | -20 | -12 | ..... |

Status of Guaranteed Loans (in millions of dollars)

| Identification code 12-4228-0-3-452                                    | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|-------------|-----------|-----------|
| Position with respect to appropriations act limitation on commitments: |             |           |           |
| 2131 Guaranteed loan commitments exempt from limitation .....          | 197         | 190       | 16        |
| 2150 Total guaranteed loan commitments .....                           | 197         | 190       | 16        |
| Cumulative balance of guaranteed loans outstanding:                    |             |           |           |
| 2210 Outstanding, start of year .....                                  | 900         | 1,017     | 1,156     |

|                                                                                   |       |       |       |
|-----------------------------------------------------------------------------------|-------|-------|-------|
| 2231 Disbursements of new guaranteed loans .....                                  | 212   | 249   | 239   |
| 2251 Repayments and prepayments .....                                             | -87   | -102  | -116  |
| Adjustments:                                                                      |       |       |       |
| 2261 Terminations for default that result in loans receivable .....               | -7    | -8    | -8    |
| 2263 Terminations for default that result in claim payments .....                 | -1    | ..... | ..... |
| 2290 Outstanding, end of year .....                                               | 1,017 | 1,156 | 1,271 |
| Memorandum:                                                                       |       |       |       |
| 2299 Guaranteed amount of guaranteed loans outstanding, end of year .....         | 814   | 926   | 1,017 |
| Addendum:                                                                         |       |       |       |
| Cumulative balance of defaulted guaranteed loans that result in loans receivable: |       |       |       |
| 2310 Outstanding, start of year .....                                             | ..... | 15    | 23    |
| 2331 Disbursements for guaranteed loan claims .....                               | 7     | 8     | 8     |
| 2364 Other adjustments, net .....                                                 | 8     | ..... | ..... |
| 2390 Outstanding, end of year .....                                               | 15    | 23    | 31    |

This account finances loan guarantee commitments for essential community facilities in rural areas.

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from guaranteed loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

Balance Sheet (in millions of dollars)

| Identification code 12-4228-0-3-452                                                                                                              | 2010 actual | 2011 actual |
|--------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                                                                                                   |             |             |
| Federal assets:                                                                                                                                  |             |             |
| 1101 Fund balances with Treasury .....                                                                                                           | 61          | 63          |
| Investments in US securities:                                                                                                                    |             |             |
| 1106 Receivables, net .....                                                                                                                      | 8           | .....       |
| 1501 Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable: Defaulted guaranteed loans receivable, gross ..... | .....       | 15          |
| 1999 Total assets .....                                                                                                                          | 69          | 78          |
| <b>LIABILITIES:</b>                                                                                                                              |             |             |
| 2104 Federal liabilities: Resources payable to Treasury .....                                                                                    | 20          | 2           |
| 2204 Non-Federal liabilities: Liabilities for loan guarantees .....                                                                              | 49          | 76          |
| 2999 Total liabilities .....                                                                                                                     | 69          | 78          |
| 4999 Total liabilities and net position .....                                                                                                    | 69          | 78          |

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT  
(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund, as follows: **[\$900,000,000]** \$652,764,000 shall be for direct loans and \$24,000,000,000 shall be for unsubsidized guaranteed loans; **[\$10,000,000]** \$27,952,000 for section 504 housing repair loans; **[\$64,478,000]** for section 515 rental housing; **[\$130,000,000]** and **\$150,000,000** for section 538 guaranteed multi-family housing loans; **\$10,000,000** for credit sales of single family housing acquired property; and **\$5,000,000** for section 523 self-help housing land development loans.

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: section 502 loans, **[\$42,570,000]** \$38,970,000 shall be for direct loans; section 504 housing repair loans, **[\$1,421,000]**; and repair, rehabilitation, and new construction of section 515 rental housing, **\$22,000,000]** \$3,821,000: *Provided*, **[That the Secretary may charge a guarantee fee of up to 4 percent on section 502 guaranteed loans: *Provided further*,]** **[That to support the loan program level for section 538 guaranteed loans made available under this heading the Secretary may charge or adjust any fees to cover the projected cost of such loan guarantees pursuant to the provisions of the Credit Reform Act of 1990 (2 U.S.C. 661 et seq.), and the interest on such loans may not be subsidized: *Provided***

further, That of the total amount appropriated in this paragraph, the amount equal to the amount of Rural Housing Insurance Fund Program Account funds allocated by the Secretary for Rural Economic Area Partnership Zones for the fiscal year 2011, shall be available through June 30, 2012, for communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones. *Provided further, That, of the amounts available under this paragraph for section 502 direct loans, no less than \$4 million shall be available for direct loans for full time school teachers until August 1, 2013, and no less than \$8.4 million shall be available for direct loans for individuals whose homes will be built pursuant to a program funded with a mutual and self help housing grant authorized by section 523 of the Housing Act of 1949 until June 1, 2013.*

In addition, for the cost of direct loans, grants, and contracts, as authorized by 42 U.S.C. 1484 and 1486, **[\$14,200,000] \$17,526,000**, to remain available until expended, for direct farm labor housing loans and domestic farm labor housing grants and contracts: *Provided, That any balances available for the Farm Labor Program Account shall be transferred to and merged with this account.*

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, **[\$430,800,000] \$408,127,000** shall be **[transferred to and merged with]** paid to the appropriation for "Rural Development, Salaries and Expenses". (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

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

| Identification code 12-2081-0-1-371                            | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                        |             |           |           |
| 0011 Farm labor housing grants                                 |             | 9         | 9         |
| Credit program obligations:                                    |             |           |           |
| 0701 Direct loan subsidy                                       | 99          | 75        | 51        |
| 0702 Loan guarantee subsidy                                    | 3           |           |           |
| 0705 Reestimates of direct loan subsidy                        | 202         | 296       |           |
| 0706 Interest on reestimates of direct loan subsidy            | 98          | 83        |           |
| 0707 Reestimates of loan guarantee subsidy                     | 184         | 341       |           |
| 0708 Interest on reestimates of loan guarantee subsidy         | 34          | 55        |           |
| 0709 Administrative expenses                                   | 453         | 431       | 408       |
| 0791 Direct program activities, subtotal                       | 1,073       | 1,281     | 459       |
| 0900 Total new obligations                                     | 1,073       | 1,290     | 468       |
| <b>Budgetary Resources:</b>                                    |             |           |           |
| Unobligated balance:                                           |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1                | 45          | 3         | 4         |
| 1011 Unobligated balance transfer from other accts [12-1954]   |             | 4         |           |
| 1020 Adjustment of unobligated bal brought forward, Oct 1      | -44         |           |           |
| 1050 Unobligated balance (total)                               | 1           | 7         | 4         |
| Budget authority:                                              |             |           |           |
| Appropriations, discretionary:                                 |             |           |           |
| 1100 Appropriation                                             | 557         | 511       | 469       |
| 1120 Transferred to other accounts [12-4609]                   | -1          |           |           |
| 1130 Appropriations permanently reduced                        | -1          |           |           |
| 1160 Appropriation, discretionary (total)                      | 555         | 511       | 469       |
| Appropriations, mandatory:                                     |             |           |           |
| 1200 Appropriation                                             | 519         | 776       |           |
| 1260 Appropriations, mandatory (total)                         | 519         | 776       |           |
| Spending authority from offsetting collections, discretionary: |             |           |           |
| 1700 Collected                                                 | 1           |           |           |
| 1750 Spending auth from offsetting collections, disc (total)   | 1           |           |           |
| 1900 Budget authority (total)                                  | 1,075       | 1,287     | 469       |
| 1930 Total budgetary resources available                       | 1,076       | 1,294     | 473       |
| Memorandum (non-add) entries:                                  |             |           |           |
| 1941 Unexpired unobligated balance, end of year                | 3           | 4         | 5         |
| <b>Change in obligated balance:</b>                            |             |           |           |
| Obligated balance, start of year (net):                        |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross)        | 107         | 94        | 179       |
| 3030 Obligations incurred, unexpired accounts                  | 1,073       | 1,290     | 468       |
| 3031 Obligations incurred, expired accounts                    | 1           |           |           |
| 3040 Outlays (gross)                                           | -1,078      | -1,315    | -506      |
| 3061 Obligated balance transferred from other accts [12-1954]  |             | 110       |           |
| 3081 Recoveries of prior year unpaid obligations, expired      | -9          |           |           |
| Obligated balance, end of year (net):                          |             |           |           |
| 3090 Unpaid obligations, end of year (gross)                   | 94          | 179       | 141       |

|                                                         |                                                     |       |       |     |
|---------------------------------------------------------|-----------------------------------------------------|-------|-------|-----|
| 3100                                                    | Obligated balance, end of year (net)                | 94    | 179   | 141 |
| <b>Budget authority and outlays, net:</b>               |                                                     |       |       |     |
| Discretionary:                                          |                                                     |       |       |     |
| 4000                                                    | Budget authority, gross                             | 556   | 511   | 469 |
| Outlays, gross:                                         |                                                     |       |       |     |
| 4010                                                    | Outlays from new discretionary authority            | 519   | 468   | 442 |
| 4011                                                    | Outlays from discretionary balances                 | 40    | 71    | 64  |
| 4020                                                    | Outlays, gross (total)                              | 559   | 539   | 506 |
| Offsets against gross budget authority and outlays:     |                                                     |       |       |     |
| Offsetting collections (collected) from:                |                                                     |       |       |     |
| 4033                                                    | Non-Federal sources                                 | -2    |       |     |
| Additional offsets against gross budget authority only: |                                                     |       |       |     |
| 4052                                                    | Offsetting collections credited to expired accounts | 1     |       |     |
| 4070                                                    | Budget authority, net (discretionary)               | 555   | 511   | 469 |
| 4080                                                    | Outlays, net (discretionary)                        | 557   | 539   | 506 |
| Mandatory:                                              |                                                     |       |       |     |
| 4090                                                    | Budget authority, gross                             | 519   | 776   |     |
| Outlays, gross:                                         |                                                     |       |       |     |
| 4100                                                    | Outlays from new mandatory authority                | 519   | 776   |     |
| 4180                                                    | Budget authority, net (total)                       | 1,074 | 1,287 | 469 |
| 4190                                                    | Outlays, net (total)                                | 1,076 | 1,315 | 506 |

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

| Identification code 12-2081-0-1-371                             | 2011 actual                                | 2012 est. | 2013 est. |        |
|-----------------------------------------------------------------|--------------------------------------------|-----------|-----------|--------|
| Direct loan levels supportable by subsidy budget authority:     |                                            |           |           |        |
| 115001                                                          | Section 502 Single-Family Housing          | 1,126     | 900       | 653    |
| 115004                                                          | Section 515 Multi-Family Housing           | 69        | 64        |        |
| 115007                                                          | Section 504 Housing Repair                 | 22        | 10        | 28     |
| 115011                                                          | Section 514 Farm Labor Housing             |           | 27        | 26     |
| 115012                                                          | Section 524 Site Development               | 1         |           |        |
| 115013                                                          | Section 523 Self-Help Housing              |           | 5         |        |
| 115014                                                          | Single-Family Housing Credit Sales         | 1         | 10        |        |
| 115999                                                          | Total direct loan levels                   | 1,219     | 1,016     | 707    |
| Direct loan subsidy (in percent):                               |                                            |           |           |        |
| 132001                                                          | Section 502 Single-Family Housing          | 6.26      | 4.73      | 5.97   |
| 132004                                                          | Section 515 Multi-Family Housing           | 33.73     | 34.12     |        |
| 132007                                                          | Section 504 Housing Repair                 | 18.93     | 14.21     | 13.67  |
| 132011                                                          | Section 514 Farm Labor Housing             |           | 34.15     | 33.34  |
| 132012                                                          | Section 524 Site Development               | 5.82      |           |        |
| 132013                                                          | Section 523 Self-Help Housing              |           | -1.01     |        |
| 132014                                                          | Single-Family Housing Credit Sales         | -11.12    | -16.85    |        |
| 132999                                                          | Weighted average subsidy rate              | 8.03      | 7.22      | 7.28   |
| Direct loan subsidy budget authority:                           |                                            |           |           |        |
| 133001                                                          | Section 502 Single-Family Housing          | 71        | 43        | 39     |
| 133004                                                          | Section 515 Multi-Family Housing           | 23        | 22        |        |
| 133007                                                          | Section 504 Housing Repair                 | 4         | 1         | 4      |
| 133011                                                          | Section 514 Farm Labor Housing             |           | 9         | 9      |
| 133014                                                          | Single-Family Housing Credit Sales         |           | -2        |        |
| 133999                                                          | Total subsidy budget authority             | 98        | 73        | 52     |
| Direct loan subsidy outlays:                                    |                                            |           |           |        |
| 134001                                                          | Section 502 Single-Family Housing          | 65        | 46        | 40     |
| 134004                                                          | Section 515 Multi-Family Housing           | 28        | 30        | 25     |
| 134007                                                          | Section 504 Housing Repair                 | 4         | 2         | 4      |
| 134011                                                          | Section 514 Farm Labor Housing             |           | 13        | 10     |
| 134014                                                          | Single-Family Housing Credit Sales         |           | -2        |        |
| 134019                                                          | Section 502 Single Family Housing - ARRA   | 5         |           |        |
| 134999                                                          | Total subsidy outlays                      | 102       | 89        | 79     |
| Direct loan upward reestimates:                                 |                                            |           |           |        |
| 135001                                                          | Section 502 Single-Family Housing          | 291       | 371       |        |
| 135004                                                          | Section 515 Multi-Family Housing           |           | 2         |        |
| 135007                                                          | Section 504 Housing Repair                 | 4         | 4         |        |
| 135011                                                          | Section 514 Farm Labor Housing             | 1         | 1         |        |
| 135012                                                          | Section 524 Site Development               | 2         |           |        |
| 135013                                                          | Section 523 Self-Help Housing              | 2         | 2         |        |
| 135999                                                          | Total upward reestimate budget authority   | 300       | 380       |        |
| Direct loan downward reestimates:                               |                                            |           |           |        |
| 137001                                                          | Section 502 Single-Family Housing          | -21       | -7        |        |
| 137004                                                          | Section 515 Multi-Family Housing           | -13       | -12       |        |
| 137007                                                          | Section 504 Housing Repair                 | -2        | -2        |        |
| 137011                                                          | Section 514 Farm Labor Housing             | -1        | -3        |        |
| 137012                                                          | Section 524 Site Development               |           | -1        |        |
| 137014                                                          | Single-Family Housing Credit Sales         | -5        | -3        |        |
| 137999                                                          | Total downward reestimate budget authority | -42       | -28       |        |
| Guaranteed loan levels supportable by subsidy budget authority: |                                            |           |           |        |
| 215003                                                          | Guaranteed 538 Multi-Family Housing        | 31        | 130       | 150    |
| 215011                                                          | Guaranteed 502 Single Family Housing       | 16,859    | 24,000    | 24,000 |
| 215999                                                          | Total loan guarantee levels                | 16,890    | 24,130    | 24,150 |

**RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT—Continued**  
**Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program—Continued**

| Identification code 12-2081-0-1-371                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Guaranteed loan subsidy (in percent):</b>                    |             |           |           |
| 232003 Guaranteed 538 Multi-Family Housing .....                | 9.69        | -0.06     | -0.04     |
| 232011 Guaranteed 502 Single Family Housing .....               | -0.19       | -0.03     | -0.28     |
| 232999 Weighted average subsidy rate .....                      | -0.16       | -0.03     | -0.28     |
| <b>Guaranteed loan subsidy budget authority:</b>                |             |           |           |
| 233003 Guaranteed 538 Multi-Family Housing .....                | 3           | .....     | .....     |
| 233011 Guaranteed 502 Single Family Housing .....               | -32         | -7        | -67       |
| 233999 Total subsidy budget authority .....                     | -29         | -7        | -67       |
| <b>Guaranteed loan subsidy outlays:</b>                         |             |           |           |
| 234001 Guaranteed 502 Single Family Housing, Purchase .....     | -8          | .....     | .....     |
| 234003 Guaranteed 538 Multi-Family Housing .....                | 2           | .....     | .....     |
| 234011 Guaranteed 502 Single Family Housing .....               | -26         | -12       | -62       |
| 234999 Total subsidy outlays .....                              | -32         | -12       | -62       |
| <b>Guaranteed loan upward reestimates:</b>                      |             |           |           |
| 235001 Guaranteed 502 Single Family Housing, Purchase .....     | 147         | 315       | .....     |
| 235002 Guaranteed 502, Refinance .....                          | 12          | .....     | .....     |
| 235003 Guaranteed 538 Multi-Family Housing .....                | 59          | 20        | .....     |
| 235011 Guaranteed 502 Single Family Housing .....               | .....       | 61        | .....     |
| 235999 Total upward reestimate budget authority .....           | 218         | 396       | .....     |
| <b>Guaranteed loan downward reestimates:</b>                    |             |           |           |
| 237002 Guaranteed 502, Refinance .....                          | .....       | -12       | .....     |
| 237003 Guaranteed 538 Multi-Family Housing .....                | -1          | -28       | .....     |
| 237999 Total downward reestimate subsidy budget authority ..... | -1          | -40       | .....     |
| <b>Administrative expense data:</b>                             |             |           |           |
| 3510 Budget authority .....                                     | 453         | 431       | 411       |
| 3590 Outlays from new authority .....                           | 453         | 431       | 406       |

*Rural Housing Insurance Fund.*—This fund was established in 1965 (Public Law 89-117) pursuant to section 517 of title V of the Housing Act of 1949, as amended.

The programs funded through the Rural Housing Insurance Fund Program account are: section 502 single family housing direct loans and loan guarantees; section 504 housing repair loans; section 515 multi-family housing direct loans; section 524 housing site loans, single family and multi-family housing credit sales of acquired property, and section 538 multi-family housing guarantees. The section 523 self-help housing land development loan program is funded in this account as of 1997. In addition, the farm labor housing program was merged with this account in 2012, bringing the 514 farm labor housing loans back into this account along with the 516 farm labor housing grants. The 514 loans were originally funded in this account but were pulled-out to create a flexible funding stream with funding for farm labor housing grants in 2001. The merge will allow the administration of the farm labor program to be more efficient and less burdensome.

Loan programs are limited to rural areas that include towns, villages, and other places which are not part of an urban area. These areas have a population not in excess of 2,500 inhabitants, or in excess of 2,500, but not in excess of 10,000 if rural in character, or a population in excess of 10,000 but not more than 20,000. Areas are within a standard metropolitan statistical area and have a serious lack of mortgage credit for low- and moderate-income borrowers.

For 2013, the Budget funds single family housing activities primarily through the Section 502 single family housing guaranteed loan program. The Section 502 single family housing guarantees are requested at a \$24 billion loan level for 2013. The 2010 Supplemental Disaster Relief and Summer Jobs (P.L. 111-212) increased the authorized cap on the up-front fee to 3.5 percent and established an annual fee authority capped at 0.5 percent. In 2012, the program charged an annual fee in combination with an up-front fee for the first time. For 2013, the program will continue to have combination annual and up-front fee structure

for both new purchase and refinanced loans. This fee structure, with the current loan performance, generates a negative subsidy rate for 2013. The rate could not be negative without the annual fee in 2013. The subsidy rate for 2013 is a blended rate of the new/purchase single family housing guarantees with the refinanced single family housing guarantees.

The 2013 Budget requests a reduced loan level of \$652.8 million for Section 502 single family housing direct loans. This is a minimum funding level to allow for targeted support for teachers in rural areas and beneficiaries of the mutual self-help housing program, along with other very-low and low income individuals in rural areas still needing mortgage credit assistance despite historically low interest rates. The 2013 Budget requests a funding level of approximately \$28 million for Section 504 very low-income housing repair loans. No funding is requested for Section 524 site development, Section 523 self-help housing land development or credit sales of acquired property for single and multi-family housing.

The 2013 Budget does not include funding for Section 515 multi-family housing loans because the focus is on the 515 multifamily housing portfolio for 2013 is rehabilitation, which is being carried out through the funding in the multifamily housing revitalization appropriation request. However, this account does include \$26 million in farm labor housing loans and \$8.9 million in farm labor housing grants. The 2013 Budget also requests \$150 million in funding for the multi-family housing guaranteed loan program. The 2013 Budget continues to include in the appropriations language that will allow the program to operate without interest subsidy and with a fee, which removes the main subsidy cost drivers in this program.

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

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

| Identification code 12-2081-0-1-371                      | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                               |             |           |           |
| 25.3 Other goods and services from Federal sources ..... | 453         | 431       | 408       |
| 41.0 Grants, subsidies, and contributions .....          | 620         | 859       | 60        |
| 99.9 Total new obligations .....                         | 1,073       | 1,290     | 468       |

**RURAL HOUSING INSURANCE FUND DIRECT LOAN FINANCING ACCOUNT**

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

| Identification code 12-4215-0-3-371                          | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                      |             |           |           |
| 0005 Advances on behalf of borrowers .....                   | 74          | 75        | 75        |
| 0006 Other expenses .....                                    | 14          | 25        | 25        |
| 0007 Interest Supplemental Paid to Lenders .....             | 6           | 7         | 7         |
| 0091 Direct Program by Activities - Subtotal (1 level) ..... | 94          | 107       | 107       |
| <b>Credit program obligations:</b>                           |             |           |           |
| 0710 Direct loan obligations .....                           | 1,259       | 1,016     | 707       |
| 0713 Payment of interest to Treasury .....                   | 787         | 805       | 823       |
| 0740 Negative subsidy obligations .....                      | .....       | 2         | .....     |
| 0742 Downward reestimate paid to receipt account .....       | 31          | 17        | .....     |
| 0743 Interest on downward reestimates .....                  | 13          | 11        | .....     |
| 0791 Direct program activities, subtotal .....               | 2,090       | 1,851     | 1,530     |
| 0900 Total new obligations .....                             | 2,184       | 1,958     | 1,637     |



| <b>Budgetary Resources:</b>                                  |                                                                            |        |        |
|--------------------------------------------------------------|----------------------------------------------------------------------------|--------|--------|
| Unobligated balance:                                         |                                                                            |        |        |
| 1000                                                         | Unobligated balance brought forward, Oct 1 .....                           | 1      | 61     |
| 1021                                                         | Recoveries of prior year unpaid obligations .....                          | 112    |        |
| 1023                                                         | Unobligated balances applied to repay debt .....                           | -19    | -61    |
| 1024                                                         | Unobligated balance of borrowing authority withdrawn .....                 | -93    |        |
| 1050                                                         | Unobligated balance (total) .....                                          | 1      |        |
| Financing authority:                                         |                                                                            |        |        |
| Borrowing authority, mandatory:                              |                                                                            |        |        |
| 1400                                                         | Borrowing authority .....                                                  | 1,548  | 216    |
| 1440                                                         | Borrowing authority, mandatory (total) .....                               | 1,548  | 216    |
| Spending authority from offsetting collections, mandatory:   |                                                                            |        |        |
| 1800                                                         | Collected .....                                                            | 1,672  | 1,498  |
| 1801                                                         | Change in uncollected payments, Federal sources .....                      | -11    | -77    |
| 1825                                                         | Spending authority from offsetting collections applied to repay debt ..... | -965   |        |
| 1850                                                         | Spending auth from offsetting collections, mand (total) .....              | 696    | 1,421  |
| 1900                                                         | Financing authority (total) .....                                          | 2,244  | 1,637  |
| 1930                                                         | Total budgetary resources available .....                                  | 2,245  | 1,637  |
| Memorandum (non-add) entries:                                |                                                                            |        |        |
| 1941                                                         | Unexpired unobligated balance, end of year .....                           | 61     |        |
| <b>Change in obligated balance:</b>                          |                                                                            |        |        |
| Obligated balance, start of year (net):                      |                                                                            |        |        |
| 3000                                                         | Unpaid obligations, fund balance with Treasury, start of year .....        | 827    | 571    |
| 3010                                                         | Uncollected pymts, Fed sources, brought forward, Oct 1 .....               | -154   | -90    |
| 3020                                                         | Obligated balance, start of year (net) .....                               | 673    | 481    |
| 3030                                                         | Obligations incurred, unexpired accounts .....                             | 2,184  | 1,637  |
| 3040                                                         | Financing disbursements (gross) .....                                      | -2,285 | -1,758 |
| 3050                                                         | Change in uncollected pymts, Fed sources, unexpired .....                  | 11     | 77     |
| 3080                                                         | Recoveries of prior year unpaid obligations, unexpired .....               | -112   |        |
| Obligated balance, end of year (net):                        |                                                                            |        |        |
| 3090                                                         | Unpaid obligations, end of year (gross) .....                              | 614    | 450    |
| 3091                                                         | Uncollected pymts, Fed sources, end of year .....                          | -143   | -13    |
| 3100                                                         | Obligated balance, end of year (net) .....                                 | 471    | 437    |
| <b>Financing authority and disbursements, net:</b>           |                                                                            |        |        |
| Mandatory:                                                   |                                                                            |        |        |
| 4090                                                         | Financing authority, gross .....                                           | 2,244  | 1,637  |
| Financing disbursements:                                     |                                                                            |        |        |
| 4110                                                         | Financing disbursements, gross .....                                       | 2,285  | 1,758  |
| Offsets against gross financing authority and disbursements: |                                                                            |        |        |
| Offsetting collections (collected) from:                     |                                                                            |        |        |
| 4120                                                         | Federal sources: payments from program account .....                       | -410   | -80    |
| 4122                                                         | Interest on uninvested funds .....                                         | -71    | -163   |
| 4123                                                         | Non-Federal sources: Repayments of principal .....                         | -574   | -583   |
| 4123                                                         | Interest received on loans .....                                           | -547   | -609   |
| 4123                                                         | Payments on judgments .....                                                | -11    | -8     |
| 4123                                                         | Proceeds on sale of acquired property .....                                | -29    | -20    |
| 4123                                                         | Recaptured income .....                                                    | -15    | -15    |
| 4123                                                         | Fees .....                                                                 | -12    | -10    |
| 4123                                                         | Miscellaneous collections .....                                            | -3     | -10    |
| 4130                                                         | Offsets against gross financing auth and disbursements (total) .....       | -1,672 | -1,498 |
| Additional offsets against financing authority only (total): |                                                                            |        |        |
| 4140                                                         | Change in uncollected pymts, Fed sources, unexpired .....                  | 11     | 77     |
| 4160                                                         | Financing authority, net (mandatory) .....                                 | 583    | 216    |
| 4170                                                         | Financing disbursements, net (mandatory) .....                             | 613    | 260    |
| 4180                                                         | Financing authority, net (total) .....                                     | 583    | 216    |
| 4190                                                         | Financing disbursements, net (total) .....                                 | 613    | 260    |

|                         |                                                                |        |        |        |
|-------------------------|----------------------------------------------------------------|--------|--------|--------|
| 1262                    | Discount on loan asset sales to the public or discounted ..... | -1     |        |        |
| Write-offs for default: |                                                                |        |        |        |
| 1263                    | Direct loans .....                                             | -13    | -26    | -27    |
| 1264                    | Other adjustments, net (+ or -) .....                          | -1     |        |        |
| 1290                    | Outstanding, end of year .....                                 | 17,400 | 17,875 | 18,114 |

This account reflects the financing for direct rural housing loans for section 502 very low- and low-to-moderate-income home ownership loan program; section 504 very low- income housing repair loan program; section 514 domestic farm labor housing loan program; section 515 rural rental housing loan program; sections 523 self-help housing loans, and 524 site development loans; and single family and multi-family housing credit sales of acquired property.

Loan programs are limited to rural areas that include towns, villages and other places which are not part of an urban area. These areas have a population not in excess of 2,500 inhabitants, or in excess of 2,500, but not in excess of 10,000 if rural in character, or a population in excess of 10,000, but not more than 20,000. Areas are not within a standard metropolitan statistical area and have a serious lack of mortgage credit for low and moderate-income borrowers.

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

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

| Identification code 12-4215-0-3-371                               | 2010 actual                                               | 2011 actual |
|-------------------------------------------------------------------|-----------------------------------------------------------|-------------|
| <b>ASSETS:</b>                                                    |                                                           |             |
| Federal assets:                                                   |                                                           |             |
| 1101                                                              | Fund balances with Treasury .....                         | 466         |
| Investments in US securities:                                     |                                                           |             |
| 1106                                                              | Receivables, net .....                                    | 253         |
| Net value of assets related to post-1991 direct loans receivable: |                                                           |             |
| 1401                                                              | Direct loans receivable, gross .....                      | 17,400      |
| 1402                                                              | Interest receivable .....                                 | 193         |
| 1404                                                              | Foreclosed property .....                                 | 56          |
| 1405                                                              | Allowance for subsidy cost (-) .....                      | -2,553      |
| 1499                                                              | Net present value of assets related to direct loans ..... | 15,096      |
| 1999                                                              | Total assets .....                                        | 15,547      |
| <b>LIABILITIES:</b>                                               |                                                           |             |
| Federal liabilities:                                              |                                                           |             |
| 2103                                                              | Debt .....                                                | 13,834      |
| 2105                                                              | Other .....                                               | 1,676       |
| 2201                                                              | Non-Federal liabilities: Accounts payable .....           | 37          |
| 2999                                                              | Total liabilities .....                                   | 15,547      |
| 4999                                                              | Total liabilities and net position .....                  | 15,547      |

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

| Identification code 12-4215-0-3-371                                    | 2011 actual                                                      | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|------------------------------------------------------------------|-----------|-----------|
| Position with respect to appropriations act limitation on obligations: |                                                                  |           |           |
| 1131                                                                   | Direct loan obligations exempt from limitation .....             | 1,259     | 707       |
| 1150                                                                   | Total direct loan obligations .....                              | 1,259     | 707       |
| Cumulative balance of direct loans outstanding:                        |                                                                  |           |           |
| 1210                                                                   | Outstanding, start of year .....                                 | 16,681    | 17,875    |
| Disbursements:                                                         |                                                                  |           |           |
| 1231                                                                   | Direct loan disbursements .....                                  | 1,340     | 829       |
| 1232                                                                   | Purchase of loans assets from the public .....                   | 6         |           |
| Repayments:                                                            |                                                                  |           |           |
| 1251                                                                   | Repayments and prepayments .....                                 | -585      | -583      |
| 1252                                                                   | Proceeds from loan asset sales to the public or discounted ..... | -55       |           |
| Adjustments:                                                           |                                                                  |           |           |
| 1261                                                                   | Capitalized interest .....                                       | 28        | 20        |

**RURAL HOUSING INSURANCE FUND GUARANTEED LOAN FINANCING ACCOUNT**

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

| Identification code 12-4216-0-3-371     | 2011 actual                                       | 2012 est. | 2013 est. |
|-----------------------------------------|---------------------------------------------------|-----------|-----------|
| <b>Obligations by program activity:</b> |                                                   |           |           |
| 0003                                    | Interest assistance paid to lenders .....         | 7         | 7         |
| Credit program obligations:             |                                                   |           |           |
| 0711                                    | Default claim payments on principal .....         | 296       | 347       |
| 0739                                    | Other .....                                       | 8         |           |
| 0740                                    | Negative subsidy obligations .....                | 32        | 67        |
| 0742                                    | Downward reestimate paid to receipt account ..... | 1         | 29        |
| 0743                                    | Interest on downward reestimates .....            | 1         | 11        |
| 0791                                    | Direct program activities, subtotal .....         | 338       | 414       |
| 0900                                    | Total new obligations .....                       | 345       | 421       |

RURAL HOUSING INSURANCE FUND GUARANTEED LOAN FINANCING  
ACCOUNT—Continued

Program and Financing—Continued

| Identification code 12-4216-0-3-371                          | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------|-------------|-----------|-----------|
| <b>Budgetary Resources:</b>                                  |             |           |           |
| Unobligated balance:                                         |             |           |           |
| 1000                                                         | 1,559       | 2,032     |           |
| 1021                                                         | 1           |           |           |
| 1022                                                         |             | -2,026    |           |
| 1023                                                         | -2          | -6        |           |
| 1050                                                         | 1,558       |           |           |
| Financing authority:                                         |             |           |           |
| Appropriations, mandatory:                                   |             |           |           |
| 1200                                                         | 2           |           |           |
| 1260                                                         | 2           |           |           |
| Borrowing authority, mandatory:                              |             |           |           |
| 1400                                                         | 8           |           |           |
| 1440                                                         | 8           |           |           |
| Spending authority from offsetting collections, mandatory:   |             |           |           |
| 1800                                                         | 809         | 1,241     | 864       |
| 1820                                                         |             | -908      | -443      |
| 1850                                                         | 809         | 333       | 421       |
| 1900                                                         | 819         | 333       | 421       |
| 1930                                                         | 2,377       | 333       | 421       |
| Memorandum (non-add) entries:                                |             |           |           |
| 1941                                                         | 2,032       |           |           |
| <b>Change in obligated balance:</b>                          |             |           |           |
| Obligated balance, start of year (net):                      |             |           |           |
| 3000                                                         | 1           | 6         | 6         |
| 3030                                                         | 345         | 333       | 421       |
| 3040                                                         | -339        | -333      | -421      |
| 3080                                                         | -1          |           |           |
| Obligated balance, end of year (net):                        |             |           |           |
| 3090                                                         | 6           | 6         | 6         |
| 3100                                                         | 6           | 6         | 6         |
| <b>Financing authority and disbursements, net:</b>           |             |           |           |
| Mandatory:                                                   |             |           |           |
| 4090                                                         | 819         | 333       | 421       |
| Financing disbursements:                                     |             |           |           |
| 4110                                                         | 339         | 333       | 421       |
| Offsets against gross financing authority and disbursements: |             |           |           |
| Offsetting collections (collected) from:                     |             |           |           |
| 4120                                                         | -220        | -396      |           |
| 4122                                                         | -51         | -112      | -139      |
| 4123                                                         | -519        | -722      | -714      |
| 4123                                                         | -10         | -11       | -11       |
| 4123                                                         | -8          |           |           |
| 4123                                                         | -1          |           |           |
| 4130                                                         | -809        | -1,241    | -864      |
| 4160                                                         | 10          | -908      | -443      |
| 4170                                                         | -470        | -908      | -443      |
| 4180                                                         | 10          | -908      | -443      |
| 4190                                                         | -470        | -908      | -443      |

Status of Guaranteed Loans (in millions of dollars)

| Identification code 12-4216-0-3-371                                    | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|-------------|-----------|-----------|
| Position with respect to appropriations act limitation on commitments: |             |           |           |
| 2131                                                                   | 16,890      | 24,130    | 24,150    |
| 2150                                                                   | 16,890      | 24,130    | 24,150    |
| 2199                                                                   | 15,201      | 21,717    | 21,735    |
| Cumulative balance of guaranteed loans outstanding:                    |             |           |           |
| 2210                                                                   | 49,878      | 61,985    | 76,989    |
| 2231                                                                   | 15,071      | 24,178    | 23,904    |
| 2251                                                                   | -2,584      | -8,771    | -10,894   |
| Adjustments:                                                           |             |           |           |
| 2263                                                                   | -296        | -403      | -500      |
| 2264                                                                   | -84         |           |           |
| 2290                                                                   | 61,985      | 76,989    | 89,499    |

| Memorandum:                                                                       |                                                                |        |        |        |
|-----------------------------------------------------------------------------------|----------------------------------------------------------------|--------|--------|--------|
| 2299                                                                              | Guaranteed amount of guaranteed loans outstanding, end of year | 56,025 | 69,401 | 80,783 |
| Addendum:                                                                         |                                                                |        |        |        |
| Cumulative balance of defaulted guaranteed loans that result in loans receivable: |                                                                |        |        |        |
| 2310                                                                              | Outstanding, start of year                                     | 297    | 414    | 525    |
| 2331                                                                              | Disbursements for guaranteed loan claims                       | 233    | 231    | 269    |
| 2351                                                                              | Repayments of loans receivable                                 | -10    | -12    | -13    |
| 2361                                                                              | Write-offs of loans receivable                                 | -106   | -108   | -126   |
| 2390                                                                              | Outstanding, end of year                                       | 414    | 525    | 655    |

This account finances the guaranteed section 502 low-to-moderate-income home ownership loan program as well as the re-financings of those loans and the section 538 guaranteed multi-family housing loan program. The guaranteed programs enable the Rural Housing Service to utilize private sector resources for the making and servicing of loans while the Agency provides a financial guarantee to encourage private sector activity.

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

Balance Sheet (in millions of dollars)

| Identification code 12-4216-0-3-371                                                      | 2010 actual | 2011 actual |
|------------------------------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                                           |             |             |
| Federal assets:                                                                          |             |             |
| 1101                                                                                     | 1,558       | 2,030       |
| Investments in US securities:                                                            |             |             |
| 1106                                                                                     | 230         | 396         |
| Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable: |             |             |
| 1501                                                                                     | 297         | 414         |
| 1502                                                                                     | 3           |             |
| 1505                                                                                     | -107        | -176        |
| 1505                                                                                     | -190        | -238        |
| 1599                                                                                     | 3           |             |
| 1999                                                                                     | 1,791       | 2,426       |
| <b>LIABILITIES:</b>                                                                      |             |             |
| Federal liabilities:                                                                     |             |             |
| 2103                                                                                     | 6           | 6           |
| 2104                                                                                     | 2           | 39          |
| 2204                                                                                     | 1,783       | 2,381       |
| 2999                                                                                     | 1,791       | 2,426       |
| 4999                                                                                     | 1,791       | 2,426       |

RURAL HOUSING INSURANCE FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4141-0-3-371                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                    |             |           |           |
| 0107                                                       | 35          | 32        | 29        |
| 0900                                                       | 35          | 32        | 29        |
| <b>Budgetary Resources:</b>                                |             |           |           |
| Unobligated balance:                                       |             |           |           |
| 1000                                                       | 18          | 42        |           |
| 1021                                                       | 35          |           |           |
| 1022                                                       | -53         | -42       |           |
| Budget authority:                                          |             |           |           |
| Spending authority from offsetting collections, mandatory: |             |           |           |
| 1800                                                       | 672         | 638       | 597       |
| 1820                                                       | -595        | -606      | -568      |
| 1850                                                       | 77          | 32        | 29        |
| 1930                                                       | 77          | 32        | 29        |

|                                                     |                                                                 |      |           |
|-----------------------------------------------------|-----------------------------------------------------------------|------|-----------|
| Memorandum (non-add) entries:                       |                                                                 |      |           |
| 1941                                                | Unexpired unobligated balance, end of year .....                | 42   |           |
| <b>Change in obligated balance:</b>                 |                                                                 |      |           |
| Obligated balance, start of year (net):             |                                                                 |      |           |
| 3000                                                | Unpaid fund balance with treasury, end of year .....            | 43   | 23 11     |
| 3030                                                | Obligations incurred, unexpired accounts .....                  | 35   | 32 29     |
| 3040                                                | Outlays (gross) .....                                           | -20  | -44 -37   |
| 3080                                                | Recoveries of prior year unpaid obligations, unexpired .....    | -35  |           |
| Obligated balance, end of year (net):               |                                                                 |      |           |
| 3090                                                | Unpaid obligations, end of year (gross) .....                   | 23   | 11 3      |
| 3100                                                | Obligated balance, end of year (net) .....                      | 23   | 11 3      |
| <b>Budget authority and outlays, net:</b>           |                                                                 |      |           |
| Mandatory:                                          |                                                                 |      |           |
| 4090                                                | Budget authority, gross .....                                   | 77   | 32 29     |
| Outlays, gross:                                     |                                                                 |      |           |
| 4100                                                | Outlays from new mandatory authority .....                      | 18   | 32 29     |
| 4101                                                | Outlays from mandatory balances .....                           | 2    | 12 8      |
| 4110                                                | Outlays, gross (total) .....                                    | 20   | 44 37     |
| Offsets against gross budget authority and outlays: |                                                                 |      |           |
| Offsetting collections (collected) from:            |                                                                 |      |           |
| 4120                                                | Federal sources .....                                           | -47  |           |
| 4123                                                | Non-Federal sources .....                                       | -625 | -638 -597 |
| 4130                                                | Offsets against gross budget authority and outlays (total) .... | -672 | -638 -597 |
| 4160                                                | Budget authority, net (mandatory) .....                         | -595 | -606 -568 |
| 4170                                                | Outlays, net (mandatory) .....                                  | -652 | -594 -560 |
| 4180                                                | Budget authority, net (total) .....                             | -595 | -606 -568 |
| 4190                                                | Outlays, net (total) .....                                      | -652 | -594 -560 |

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

|                                                 |                                              |           |             |
|-------------------------------------------------|----------------------------------------------|-----------|-------------|
| Identification code 12-4141-0-3-371             |                                              |           |             |
|                                                 | 2011 actual                                  | 2012 est. | 2013 est.   |
| Cumulative balance of direct loans outstanding: |                                              |           |             |
| 1210                                            | Outstanding, start of year .....             | 9,417     | 8,964 8,583 |
| 1251                                            | Repayments: Repayments and prepayments ..... | -329      | -314 -301   |
| 1261                                            | Adjustments: Capitalized interest .....      |           | 5 4         |
| Write-offs for default:                         |                                              |           |             |
| 1263                                            | Direct loans .....                           | -32       | -30 -29     |
| 1264                                            | Other adjustments, net (+ or -) .....        | -92       | -42 -37     |
| 1290                                            | Outstanding, end of year .....               | 8,964     | 8,583 8,220 |

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

|                                                     |                                                                      |           |           |
|-----------------------------------------------------|----------------------------------------------------------------------|-----------|-----------|
| Identification code 12-4141-0-3-371                 |                                                                      |           |           |
|                                                     | 2011 actual                                                          | 2012 est. | 2013 est. |
| Cumulative balance of guaranteed loans outstanding: |                                                                      |           |           |
| 2210                                                | Outstanding, start of year .....                                     | 3         | 2 2       |
| 2251                                                | Repayments and prepayments .....                                     | -1        |           |
| 2290                                                | Outstanding, end of year .....                                       | 2         | 2 2       |
| Memorandum:                                         |                                                                      |           |           |
| 2299                                                | Guaranteed amount of guaranteed loans outstanding, end of year ..... | 2         | 2 2       |

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. New loan activity in 1992 and beyond is recorded in corresponding program and financing accounts.

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

|                                     |                                                                    |             |        |
|-------------------------------------|--------------------------------------------------------------------|-------------|--------|
| Identification code 12-4141-0-3-371 |                                                                    |             |        |
|                                     | 2010 actual                                                        | 2011 actual |        |
| ASSETS:                             |                                                                    |             |        |
| 1101                                | Federal assets: Fund balances with Treasury .....                  | 94          | 101    |
| 1601                                | Direct loans, gross .....                                          | 9,417       | 8,964  |
| 1602                                | Interest receivable .....                                          | 722         | 698    |
| 1603                                | Allowance for estimated uncollectible loans and interest (-) ..... | -5,102      | -4,901 |
| 1604                                | Direct loans and interest receivable, net .....                    | 5,037       | 4,761  |
| 1606                                | Foreclosed property .....                                          | 36          | 33     |
| 1699                                | Value of assets related to direct loans .....                      | 5,073       | 4,794  |
| 1901                                | Other Federal assets: Other assets .....                           | 3           | 3      |

|                      |                                          |       |       |
|----------------------|------------------------------------------|-------|-------|
| 1999                 | Total assets .....                       | 5,170 | 4,898 |
| LIABILITIES:         |                                          |       |       |
| Federal liabilities: |                                          |       |       |
| 2103                 | Debt .....                               | 1     |       |
| 2104                 | Resources payable to Treasury .....      | 5,155 | 4,884 |
| 2207                 | Non-Federal liabilities: Other .....     | 14    | 14    |
| 2999                 | Total liabilities .....                  | 5,170 | 4,898 |
| 4999                 | Total liabilities and net position ..... | 5,170 | 4,898 |

**RURAL BUSINESS—COOPERATIVE SERVICE**

*Federal Funds*

ENERGY ASSISTANCE PAYMENTS

Program and Financing (in millions of dollars)

|                                           |                                                                                       |           |           |
|-------------------------------------------|---------------------------------------------------------------------------------------|-----------|-----------|
| Identification code 12-2073-0-1-452       |                                                                                       |           |           |
|                                           | 2011 actual                                                                           | 2012 est. | 2013 est. |
| <b>Obligations by program activity:</b>   |                                                                                       |           |           |
| 0010                                      | Energy Assistance Payments .....                                                      | 136       | 98 80     |
| 0900                                      | Total new obligations (object class 41.0) .....                                       | 136       | 98 80     |
| <b>Budgetary Resources:</b>               |                                                                                       |           |           |
| Unobligated balance:                      |                                                                                       |           |           |
| 1000                                      | Unobligated balance brought forward, Oct 1 .....                                      | 124       | 73        |
| Budget authority:                         |                                                                                       |           |           |
| Appropriations, mandatory:                |                                                                                       |           |           |
| 1203                                      | Appropriation (previously unavailable) .....                                          |           | 80        |
| 1221                                      | Transferred from other accounts [12-4336] .....                                       | 85        | 105       |
| 1232                                      | Appropriations and/or unobligated balance of appropriations temporarily reduced ..... |           | -80       |
| 1260                                      | Appropriations, mandatory (total) .....                                               | 85        | 25 80     |
| 1930                                      | Total budgetary resources available .....                                             | 209       | 98 80     |
| Memorandum (non-add) entries:             |                                                                                       |           |           |
| 1941                                      | Unexpired unobligated balance, end of year .....                                      | 73        |           |
| <b>Change in obligated balance:</b>       |                                                                                       |           |           |
| Obligated balance, start of year (net):   |                                                                                       |           |           |
| 3000                                      | Unpaid obligations, brought forward, Oct 1 (gross) .....                              | 2         | 2 49      |
| 3030                                      | Obligations incurred, unexpired accounts .....                                        | 136       | 98 80     |
| 3040                                      | Outlays (gross) .....                                                                 | -136      | -51 -129  |
| Obligated balance, end of year (net):     |                                                                                       |           |           |
| 3090                                      | Unpaid obligations, end of year (gross) .....                                         | 2         | 49        |
| 3100                                      | Obligated balance, end of year (net) .....                                            | 2         | 49        |
| <b>Budget authority and outlays, net:</b> |                                                                                       |           |           |
| Mandatory:                                |                                                                                       |           |           |
| 4090                                      | Budget authority, gross .....                                                         | 85        | 25 80     |
| Outlays, gross:                           |                                                                                       |           |           |
| 4100                                      | Outlays from new mandatory authority .....                                            | 44        | 25 80     |
| 4101                                      | Outlays from mandatory balances .....                                                 | 92        | 26 49     |
| 4110                                      | Outlays, gross (total) .....                                                          | 136       | 51 129    |
| 4180                                      | Budget authority, net (total) .....                                                   | 85        | 25 80     |
| 4190                                      | Outlays, net (total) .....                                                            | 136       | 51 129    |

The purpose of the Bioenergy Program for Advanced Biofuels is to provide payments to eligible agricultural producers to support and ensure an expanding production of advanced biofuels. This program is authorized pursuant to section 9005 of the Farm Security and Rural Investment Act of 2002, as amended by the Food, Conservation, and Energy Act of 2008. The account also includes funding for Repowering Assistance payments. The purpose of this program is to encourage biorefineries to replace fossil fuel used to produce heat or power to operate the biorefineries. This program was authorized pursuant to section 9004 of the Farm Security and Rural Investment Act of 2002, as amended by the Food, Conservation, and Energy Act of 2008. The Budget does not request discretionary funding in 2013 for either program.

RURAL COOPERATIVE DEVELOPMENT GRANTS

For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), **[\$25,050,000]** *\$27,706,000*, of which **[\$2,250,000]** *\$2,250,000* shall be for cooperative agreements for the appropriate technology transfer for rural areas program: *Provided*, That not to exceed **[\$3,000,000]** *\$3,456,000* shall be for grants for cooperative development centers, individual cooperatives, or groups of cooperatives that serve socially disadvantaged groups and a majority of the boards of directors or governing boards of which are comprised of individuals who are members of socially disadvantaged groups; and of which **[\$14,000,000]** *\$15,000,000*, to remain available until expended, shall be for value-added agricultural product market development grants, as authorized by section 231 of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1621 note). (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-1900-0-1-452                                   | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                               |             |           |           |
| 0001 Rural Cooperative Development Grants .....                       | 11          | 9         | 11        |
| 0011 Value added Agricultural Product Marketing (discretionary) ..... | 1           | 55        | 15        |
| 0012 Appropriate Technology Transfer for Rural Areas .....            |             | 2         | 2         |
| 0013 Value added Agricultural Product Marketing (mandatory) .....     |             | 1         |           |
| 0900 Total new obligations (object class 41.0) .....                  | 12          | 67        | 28        |
| <b>Budgetary Resources:</b>                                           |             |           |           |
| Unobligated balance:                                                  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                 | 22          | 42        |           |
| 1021 Recoveries of prior year unpaid obligations .....                | 2           |           |           |
| 1050 Unobligated balance (total) .....                                | 24          | 42        |           |
| Budget authority:                                                     |             |           |           |
| Appropriations, discretionary:                                        |             |           |           |
| 1100 Appropriation .....                                              | 30          | 25        | 28        |
| 1160 Appropriation, discretionary (total) .....                       | 30          | 25        | 28        |
| 1900 Budget authority (total) .....                                   | 30          | 25        | 28        |
| 1930 Total budgetary resources available .....                        | 54          | 67        | 28        |
| Memorandum (non-add) entries:                                         |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                 | 42          |           |           |
| <b>Change in obligated balance:</b>                                   |             |           |           |
| Obligated balance, start of year (net):                               |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....         | 49          | 33        | 73        |
| 3030 Obligations incurred, unexpired accounts .....                   | 12          | 67        | 28        |
| 3040 Outlays (gross) .....                                            | -25         | -27       | -46       |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....     | -2          |           |           |
| 3081 Recoveries of prior year unpaid obligations, expired .....       | -1          |           |           |
| Obligated balance, end of year (net):                                 |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                    | 33          | 73        | 55        |
| 3100 Obligated balance, end of year (net) .....                       | 33          | 73        | 55        |
| <b>Budget authority and outlays, net:</b>                             |             |           |           |
| Discretionary:                                                        |             |           |           |
| 4000 Budget authority, gross .....                                    | 30          | 25        | 28        |
| Outlays, gross:                                                       |             |           |           |
| 4010 Outlays from new discretionary authority .....                   | 1           | 3         | 3         |
| 4011 Outlays from discretionary balances .....                        | 16          | 20        | 39        |
| 4020 Outlays, gross (total) .....                                     | 17          | 23        | 42        |
| Mandatory:                                                            |             |           |           |
| Outlays, gross:                                                       |             |           |           |
| 4101 Outlays from mandatory balances .....                            | 8           | 4         | 4         |
| 4180 Budget authority, net (total) .....                              | 30          | 25        | 28        |
| 4190 Outlays, net (total) .....                                       | 25          | 27        | 46        |

Grants for rural cooperative development were authorized under section 310B(e) of the Consolidated Farm and Rural Development Act by Public Law 104-127, April 4, 1996. These grants are made available to nonprofit corporations and institutions of higher education to fund the establishment and operation of centers for rural cooperative development.

In 2006, the Rural Business Service began a separate solicitation for the Small Minority Producer grants. These grants provide assistance to small, minority producers through cooperatives and

associations of cooperatives. The program is funded at \$3.5 million, which is an increase of \$0.5 million over the 2012 enacted level.

The Appropriate Technology Transfer to Rural Areas (ATTRA) program was first authorized by the Food Security Act of 1985. The program provides information and technical assistance to agricultural producers to adopt sustainable agricultural practices that are environmentally friendly and lower production costs. The 2013 Budget requests \$2.25 million for ATTRA which maintains the 2012 enacted level.

Additionally, USDA provides Value- Added Marketing Grants for producers of agricultural commodities. These grants can be used for planning activities and for working capital for marketing value-added agricultural products. The Budget requests to fund the program at \$15 million, which is an increase of \$1 million over the 2012 enacted level.

RURAL ECONOMIC DEVELOPMENT GRANTS

Program and Financing (in millions of dollars)

| Identification code 12-3105-0-1-452                                                        | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                                    |             |           |           |
| 0001 Rural economic development grants .....                                               | 6           | 10        | 10        |
| 0002 Subsidy .....                                                                         | 6           | 4         | 4         |
| 0900 Total new obligations (object class 41.0) .....                                       | 12          | 14        | 14        |
| <b>Budgetary Resources:</b>                                                                |             |           |           |
| Unobligated balance:                                                                       |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                                      | 201         | 171       | 179       |
| 1021 Recoveries of prior year unpaid obligations .....                                     | 1           |           |           |
| 1050 Unobligated balance (total) .....                                                     | 202         | 171       | 179       |
| Budget authority:                                                                          |             |           |           |
| Appropriations, discretionary:                                                             |             |           |           |
| 1131 Unobligated balance of appropriations permanently reduced .....                       |             |           | -165      |
| 1160 Appropriation, discretionary (total) .....                                            |             |           | -165      |
| Appropriations, mandatory:                                                                 |             |           |           |
| 1230 Appropriations and/or unobligated balance of appropriations permanently reduced ..... | -207        | -155      |           |
| 1260 Appropriations, mandatory (total) .....                                               | -207        | -155      |           |
| Spending authority from offsetting collections, mandatory:                                 |             |           |           |
| 1800 Collected .....                                                                       | 186         | 177       | 177       |
| 1801 Change in uncollected payments, Federal sources .....                                 | 2           |           |           |
| 1850 Spending auth from offsetting collections, mand (total) .....                         | 188         | 177       | 177       |
| 1900 Budget authority (total) .....                                                        | -19         | 22        | 12        |
| 1930 Total budgetary resources available .....                                             | 183         | 193       | 191       |
| Memorandum (non-add) entries:                                                              |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                                      | 171         | 179       | 177       |
| <b>Change in obligated balance:</b>                                                        |             |           |           |
| Obligated balance, start of year (net):                                                    |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....                              | 13          | 12        | 10        |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....                          | -13         | -15       | -15       |
| 3020 Obligated balance, start of year (net) .....                                          |             | -3        | -5        |
| 3030 Obligations incurred, unexpired accounts .....                                        | 12          | 14        | 14        |
| 3040 Outlays (gross) .....                                                                 | -12         | -16       | -16       |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....                             | -2          |           |           |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....                          | -1          |           |           |
| Obligated balance, end of year (net):                                                      |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                                         | 12          | 10        | 8         |
| 3091 Uncollected pymts, Fed sources, end of year .....                                     | -15         | -15       | -15       |
| 3100 Obligated balance, end of year (net) .....                                            | -3          | -5        | -7        |
| <b>Budget authority and outlays, net:</b>                                                  |             |           |           |
| Discretionary:                                                                             |             |           |           |
| 4000 Budget authority, gross .....                                                         |             |           | -165      |
| Mandatory:                                                                                 |             |           |           |
| 4090 Budget authority, gross .....                                                         | -19         | 22        | 177       |
| Outlays, gross:                                                                            |             |           |           |
| 4100 Outlays from new mandatory authority .....                                            | 7           | 5         | 6         |
| 4101 Outlays from mandatory balances .....                                                 | 5           | 11        | 10        |

|      |                                                                 |      |      |      |
|------|-----------------------------------------------------------------|------|------|------|
| 4110 | Outlays, gross (total) .....                                    | 12   | 16   | 16   |
|      | Offsets against gross budget authority and outlays:             |      |      |      |
|      | Offsetting collections (collected) from:                        |      |      |      |
| 4120 | Federal sources .....                                           | -177 | -168 | -168 |
| 4123 | Non-Federal sources .....                                       | -9   | -9   | -9   |
| 4130 | Offsets against gross budget authority and outlays (total) .... | -186 | -177 | -177 |
|      | Additional offsets against gross budget authority only:         |      |      |      |
| 4140 | Change in uncollected pymts, Fed sources, unexpired .....       | -2   |      |      |
| 4160 | Budget authority, net (mandatory) .....                         | -207 | -155 |      |
| 4170 | Outlays, net (mandatory) .....                                  | -174 | -161 | -161 |
| 4180 | Budget authority, net (total) .....                             | -207 | -155 | -165 |
| 4190 | Outlays, net (total) .....                                      | -174 | -161 | -161 |

This grant program is authorized under section 313 of the Rural Electrification Act, as amended, and provides funds for the purpose of promoting rural economic development and job creation projects, including funding for project feasibility studies, start-up costs, incubator projects and other expenses for the purpose of fostering rural development.

Funding for this program is provided from the interest differential on Rural Utilities Service borrowers' "cushion of credit" accounts. The Budget proposes a cancellation of \$165 million from the "cushion of credit" account in 2013. The Budget proposes \$10 million for rural economic development grants and \$4.1 million for loan subsidy. This subsidy maintains the 2012 loan level at \$33.077 million.

RURAL MICROENTERPRISE INVESTMENT PROGRAM ACCOUNT

For the cost of loans, \$3,356,000, under the same terms and conditions as authorized by section 379E of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008s): Provided, That such costs of loans, including the cost of modifying such loans, shall be as defined by section 502 of the Congressional Budget Act of 1974.

Program and Financing (in millions of dollars)

| Identification code 12-1955-0-1-452                                                        | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                                    |             |           |           |
| 0011 Grants .....                                                                          | 3           |           | 2         |
| Credit program obligations:                                                                |             |           |           |
| 0701 Direct loan subsidy .....                                                             | 4           |           | 4         |
| 0900 Total new obligations (object class 41.0) .....                                       | 7           |           | 6         |
| <b>Budgetary Resources:</b>                                                                |             |           |           |
| Unobligated balance:                                                                       |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                                      | 3           |           |           |
| Budget authority:                                                                          |             |           |           |
| Appropriations, discretionary:                                                             |             |           |           |
| 1100 Appropriation .....                                                                   |             |           | 3         |
| 1160 Appropriation, discretionary (total) .....                                            |             |           | 3         |
| Appropriations, mandatory:                                                                 |             |           |           |
| 1203 Appropriation (previously unavailable) .....                                          |             |           | 3         |
| 1221 Transferred from other accounts [12-4336] .....                                       | 4           | 3         |           |
| 1232 Appropriations and/or unobligated balance of appropriations temporarily reduced ..... |             | -3        |           |
| 1260 Appropriations, mandatory (total) .....                                               | 4           |           | 3         |
| 1900 Budget authority (total) .....                                                        | 4           |           | 6         |
| 1930 Total budgetary resources available .....                                             | 7           |           | 6         |
| <b>Change in obligated balance:</b>                                                        |             |           |           |
| Obligated balance, start of year (net):                                                    |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....                              | 10          | 14        | 10        |
| 3030 Obligations incurred, unexpired accounts .....                                        | 7           |           | 6         |
| 3040 Outlays (gross) .....                                                                 | -3          | -4        | -4        |
| Obligated balance, end of year (net):                                                      |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                                         | 14          | 10        | 12        |
| 3100 Obligated balance, end of year (net) .....                                            | 14          | 10        | 12        |
| <b>Budget authority and outlays, net:</b>                                                  |             |           |           |
| Discretionary:                                                                             |             |           |           |
| 4000 Budget authority, gross .....                                                         |             |           | 3         |

|                                                |   |   |   |
|------------------------------------------------|---|---|---|
| Outlays, gross:                                |   |   |   |
| 4011 Outlays from discretionary balances ..... | 1 | 1 | 1 |
| Mandatory:                                     |   |   |   |
| 4090 Budget authority, gross .....             | 4 |   | 3 |
| Outlays, gross:                                |   |   |   |
| 4101 Outlays from mandatory balances .....     | 2 | 3 | 3 |
| 4180 Budget authority, net (total) .....       | 4 |   | 6 |
| 4190 Outlays, net (total) .....                | 3 | 4 | 4 |

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

| Identification code 12-1955-0-1-452                         | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------|-------------|-----------|-----------|
| Direct loan levels supportable by subsidy budget authority: |             |           |           |
| 115001 Rural Microenterprise Direct Loans .....             | 15          |           | 34        |
| 115999 Total direct loan levels .....                       | 15          |           | 34        |
| Direct loan subsidy (in percent):                           |             |           |           |
| 132001 Rural Microenterprise Direct Loans .....             | 21.39       |           | 14.95     |
| 132999 Weighted average subsidy rate .....                  | 21.39       |           | 14.95     |
| Direct loan subsidy budget authority:                       |             |           |           |
| 133001 Rural Microenterprise Direct Loans .....             | 3           |           | 5         |
| 133999 Total subsidy budget authority .....                 | 3           |           | 5         |
| Direct loan subsidy outlays:                                |             |           |           |
| 134001 Rural Microenterprise Direct Loans .....             | 1           | 1         | 2         |
| 134999 Total subsidy outlays .....                          | 1           | 1         | 2         |

This program provides microentrepreneurs with the skills necessary to establish new rural microenterprises, as well as support these types of businesses with technical and financial assistance. The program provides loans and grants to intermediaries that assist microentrepreneurs. For 2013 the budget requests \$3.4 million in discretionary funds to support a loan level of \$22 million. The program is authorized pursuant to section 6022 of the Food, Conservation, and Energy Act of 2008.

RURAL MICROENTERPRISE INVESTMENT DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4354-0-3-452                                             | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                         |             |           |           |
| Credit program obligations:                                                     |             |           |           |
| 0710 Direct loan obligations .....                                              | 15          |           | 34        |
| 0900 Total new obligations .....                                                | 15          |           | 34        |
| <b>Budgetary Resources:</b>                                                     |             |           |           |
| Unobligated balance:                                                            |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                           |             | 2         |           |
| 1022 Capital transfer of unobligated balances to general fund .....             |             | -2        |           |
| Financing authority:                                                            |             |           |           |
| Borrowing authority, mandatory:                                                 |             |           |           |
| 1400 Borrowing authority .....                                                  | 16          |           | 27        |
| 1440 Borrowing authority, mandatory (total) .....                               | 16          |           | 27        |
| Spending authority from offsetting collections, mandatory:                      |             |           |           |
| 1800 Collected .....                                                            | 1           | 3         | 5         |
| 1801 Change in uncollected payments, Federal sources .....                      | 2           | -1        | 2         |
| 1825 Spending authority from offsetting collections applied to repay debt ..... | -2          | -2        |           |
| 1850 Spending auth from offsetting collections, mand (total) .....              | 1           |           | 7         |
| 1900 Financing authority (total) .....                                          | 17          |           | 34        |
| 1930 Total budgetary resources available .....                                  | 17          |           | 34        |
| Memorandum (non-add) entries:                                                   |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                           | 2           |           |           |
| <b>Change in obligated balance:</b>                                             |             |           |           |
| Obligated balance, start of year (net):                                         |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....                   | 25          | 32        | 22        |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....               | -3          | -5        | -4        |
| 3020 Obligated balance, start of year (net) .....                               | 22          | 27        | 18        |
| 3030 Obligations incurred, unexpired accounts .....                             | 15          |           | 34        |
| 3040 Financing disbursements (gross) .....                                      | -8          | -10       | -11       |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....                  | -2          | 1         | -2        |
| Obligated balance, end of year (net):                                           |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                              | 32          | 22        | 45        |

RURAL MICROENTERPRISE INVESTMENT DIRECT LOAN FINANCING  
ACCOUNT—Continued

Program and Financing—Continued

| Identification code 12-4354-0-3-452                                       | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------|-------------|-----------|-----------|
| 3091 Uncollected pymts, Fed sources, end of year .....                    | -5          | -4        | -6        |
| 3100 Obligated balance, end of year (net) .....                           | 27          | 18        | 39        |
| <b>Financing authority and disbursements, net:</b>                        |             |           |           |
| Mandatory:                                                                |             |           |           |
| 4090 Financing authority, gross .....                                     | 17          | .....     | 34        |
| Financing disbursements:                                                  |             |           |           |
| 4110 Financing disbursements, gross .....                                 | 8           | 10        | 11        |
| Offsets against gross financing authority and disbursements:              |             |           |           |
| Offsetting collections (collected) from:                                  |             |           |           |
| 4120 Federal sources .....                                                | -1          | -1        | -2        |
| 4123 Repayments of Principal .....                                        | .....       | -1        | -1        |
| 4123 Interest received on loans .....                                     | .....       | -1        | -2        |
| 4130 Offsets against gross financing auth and disbursements (total) ..... | -1          | -3        | -5        |
| Additional offsets against financing authority only (total):              |             |           |           |
| 4140 Change in uncollected pymts, Fed sources, unexpired .....            | -2          | 1         | -2        |
| 4160 Financing authority, net (mandatory) .....                           | 14          | -2        | 27        |
| 4170 Financing disbursements, net (mandatory) .....                       | 7           | 7         | 6         |
| 4180 Financing authority, net (total) .....                               | 14          | -2        | 27        |
| 4190 Financing disbursements, net (total) .....                           | 7           | 7         | 6         |

Status of Direct Loans (in millions of dollars)

| Identification code 12-4354-0-3-452                                               | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------------------------|-------------|-----------|-----------|
| Position with respect to appropriations act limitation on obligations:            |             |           |           |
| 1131 Direct loan obligations exempt from limitation .....                         | 15          | .....     | 34        |
| 1150 Total direct loan obligations .....                                          | 15          | .....     | 34        |
| Cumulative balance of direct loans outstanding:                                   |             |           |           |
| 1210 Outstanding, start of year .....                                             | .....       | 8         | 17        |
| 1231 Disbursements: Direct loan disbursements .....                               | 8           | 10        | 11        |
| 1252 Repayments: Proceeds from loan asset sales to the public or discounted ..... | .....       | -1        | -1        |
| 1290 Outstanding, end of year .....                                               | 8           | 17        | 27        |

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligations. The amounts in this account are a means of financing and are not included in the budget totals. The subsidy cost of this program is funded through the Rural Microenterprise Investment Program Account.

Balance Sheet (in millions of dollars)

| Identification code 12-4354-0-3-452                               | 2010 actual | 2011 actual |
|-------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                    |             |             |
| 1101 Federal assets: Fund balances with Treasury .....            | .....       | 1           |
| Net value of assets related to post-1991 direct loans receivable: |             |             |
| 1401 Direct loans receivable, gross .....                         | .....       | 8           |
| 1405 Allowance for subsidy cost (-) .....                         | .....       | -1          |
| 1499 Net present value of assets related to direct loans .....    | .....       | 7           |
| 1999 Total assets .....                                           | .....       | 8           |
| <b>LIABILITIES:</b>                                               |             |             |
| 2103 Federal liabilities: Debt .....                              | .....       | 8           |
| 4999 Total liabilities and net position .....                     | .....       | 8           |

RURAL BUSINESS PROGRAM ACCOUNT  
(INCLUDING TRANSFERS OF FUNDS)

For the cost of loan guarantees and grants, for the rural business development programs authorized by sections 306 and 310B and described in sections 310B(f) (g) and 381E(d)(3) of the Consolidated Farm and Rural Development Act, [\$74,809,000] \$86,159,000, to remain available

until expended: *Provided*, That of the amount appropriated under this heading, not to exceed \$500,000 shall be made available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development [and \$2,900,000 shall be for grants to the Delta Regional Authority (7 U.S.C. 2009aa et seq.) for any Rural Community Advancement Program purpose as described in section 381E(d) of the Consolidated Farm and Rural Development Act, of which not more than 5 percent may be used for administrative expenses]: *Provided further*, That [\$4,000,000] \$3,010,000 of the amount appropriated under this heading shall be for business grants to benefit Federally Recognized Native American Tribes, including \$250,000 for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development[: *Provided further*, That of the amount appropriated under this heading, the amount equal to the amount of Rural Business Program Account funds allocated by the Secretary for Rural Economic Area Partnership Zones for the fiscal year 2011, shall be available through June 30, 2012, for communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones for the rural business and cooperative development programs described in section 381E(d)(3) of the Consolidated Farm and Rural Development Act]: *Provided further*, That sections 381E-H and 381N of the Consolidated Farm and Rural Development Act are not applicable to funds made available under this heading. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-1902-0-1-452                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                            |             |           |           |
| 0010 Rural Business Enterprise Grants .....                        | 42          | 30        | 34        |
| 0012 Rural Business Opportunity Grants .....                       | 2           | 3         | .....     |
| 0091 Direct program activities, subtotal .....                     | 44          | 33        | 34        |
| Credit program obligations:                                        |             |           |           |
| 0702 Loan guarantee subsidy .....                                  | 70          | 49        | 67        |
| 0705 Reestimates of direct loan subsidy .....                      | 5           | .....     | .....     |
| 0706 Interest on reestimates of direct loan subsidy .....          | 5           | .....     | .....     |
| 0707 Reestimates of loan guarantee subsidy .....                   | 87          | 178       | .....     |
| 0708 Interest on reestimates of loan guarantee subsidy .....       | 18          | 35        | .....     |
| 0791 Direct program activities, subtotal .....                     | 185         | 262       | 67        |
| 0900 Total new obligations (object class 41.0) .....               | 229         | 295       | 101       |
| <b>Budgetary Resources:</b>                                        |             |           |           |
| Unobligated balance:                                               |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....              | 25          | 7         | 15        |
| 1020 Adjustment of unobligated bal brought forward, Oct 1 .....    | -7          | .....     | .....     |
| 1021 Recoveries of prior year unpaid obligations .....             | 5           | 15        | .....     |
| 1050 Unobligated balance (total) .....                             | 23          | 22        | 15        |
| Budget authority:                                                  |             |           |           |
| Appropriations, discretionary:                                     |             |           |           |
| 1100 Appropriation .....                                           | 85          | 75        | 86        |
| 1160 Appropriation, discretionary (total) .....                    | 85          | 75        | 86        |
| Appropriations, mandatory:                                         |             |           |           |
| 1200 Appropriation .....                                           | 115         | 213       | .....     |
| 1260 Appropriations, mandatory (total) .....                       | 115         | 213       | .....     |
| Spending authority from offsetting collections, discretionary:     |             |           |           |
| 1700 Collected .....                                               | 13          | .....     | .....     |
| 1750 Spending auth from offsetting collections, disc (total) ..... | 13          | .....     | .....     |
| 1900 Budget authority (total) .....                                | 213         | 288       | 86        |
| 1930 Total budgetary resources available .....                     | 236         | 310       | 101       |
| Memorandum (non-add) entries:                                      |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....              | 7           | 15        | .....     |

Change in obligated balance:

|                                                                   |      |       |       |
|-------------------------------------------------------------------|------|-------|-------|
| Obligated balance, start of year (net):                           |      |       |       |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 159  | 113   | 98    |
| 3030 Obligations incurred, unexpired accounts .....               | 229  | 295   | 101   |
| 3040 Outlays (gross) .....                                        | -263 | -295  | -91   |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -5   | -15   | ..... |
| 3081 Recoveries of prior year unpaid obligations, expired .....   | -7   | ..... | ..... |
| Obligated balance, end of year (net):                             |      |       |       |
| 3090 Unpaid obligations, end of year (gross) .....                | 113  | 98    | 108   |
| 3100 Obligated balance, end of year (net) .....                   | 113  | 98    | 108   |

| <b>Budget authority and outlays, net:</b>           |                                                |     |     |    |
|-----------------------------------------------------|------------------------------------------------|-----|-----|----|
| Discretionary:                                      |                                                |     |     |    |
| 4000                                                | Budget authority, gross .....                  | 98  | 75  | 86 |
| Outlays, gross:                                     |                                                |     |     |    |
| 4010                                                | Outlays from new discretionary authority ..... | 44  | 25  | 30 |
| 4011                                                | Outlays from discretionary balances .....      | 104 | 57  | 61 |
| 4020                                                | Outlays, gross (total) .....                   | 148 | 82  | 91 |
| Offsets against gross budget authority and outlays: |                                                |     |     |    |
| Offsetting collections (collected) from:            |                                                |     |     |    |
| 4033                                                | Non-Federal sources .....                      | -13 |     |    |
| Mandatory:                                          |                                                |     |     |    |
| 4090                                                | Budget authority, gross .....                  | 115 | 213 |    |
| Outlays, gross:                                     |                                                |     |     |    |
| 4100                                                | Outlays from new mandatory authority .....     | 115 | 213 |    |
| 4180                                                | Budget authority, net (total) .....            | 200 | 288 | 86 |
| 4190                                                | Outlays, net (total) .....                     | 250 | 295 | 91 |

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

| Identification code 12-1902-0-1-452                             | 2011 actual                                              | 2012 est. | 2013 est. |      |
|-----------------------------------------------------------------|----------------------------------------------------------|-----------|-----------|------|
| Direct loan upward reestimates:                                 |                                                          |           |           |      |
| 135004                                                          | Business and Industry Loans .....                        | 10        |           |      |
| 135999                                                          | Total upward reestimate budget authority .....           | 10        |           |      |
| Direct loan downward reestimates:                               |                                                          |           |           |      |
| 137004                                                          | Business and Industry Loans .....                        | -2        | -39       |      |
| 137999                                                          | Total downward reestimate budget authority .....         | -2        | -39       |      |
| Guaranteed loan levels supportable by subsidy budget authority: |                                                          |           |           |      |
| 215007                                                          | Business and Industry Loan Guarantees .....              | 1,387     | 869       | 981  |
| 215999                                                          | Total loan guarantee levels .....                        | 1,387     | 869       | 981  |
| Guaranteed loan subsidy (in percent):                           |                                                          |           |           |      |
| 232007                                                          | Business and Industry Loan Guarantees .....              | 5.06      | 5.58      | 6.86 |
| 232999                                                          | Weighted average subsidy rate .....                      | 5.06      | 5.58      | 6.86 |
| Guaranteed loan subsidy budget authority:                       |                                                          |           |           |      |
| 233007                                                          | Business and Industry Loan Guarantees .....              | 70        | 48        | 67   |
| 233999                                                          | Total subsidy budget authority .....                     | 70        | 48        | 67   |
| Guaranteed loan subsidy outlays:                                |                                                          |           |           |      |
| 234006                                                          | Guaranteed Business and Industry Loans - ARRA .....      | 23        | 6         | 3    |
| 234007                                                          | Business and Industry Loan Guarantees .....              | 58        | 23        | 45   |
| 234999                                                          | Total subsidy outlays .....                              | 81        | 29        | 48   |
| Guaranteed loan upward reestimates:                             |                                                          |           |           |      |
| 235005                                                          | North American Development Bank Loan Guarantees .....    | 3         | 2         |      |
| 235006                                                          | Guaranteed Business and Industry Loans - ARRA .....      |           | 33        |      |
| 235007                                                          | Business and Industry Loan Guarantees .....              | 101       | 178       |      |
| 235999                                                          | Total upward reestimate budget authority .....           | 104       | 213       |      |
| Guaranteed loan downward reestimates:                           |                                                          |           |           |      |
| 237005                                                          | North American Development Bank Loan Guarantees .....    | -1        |           |      |
| 237006                                                          | Guaranteed Business and Industry Loans - ARRA .....      | -3        |           |      |
| 237007                                                          | Business and Industry Loan Guarantees .....              | -14       |           |      |
| 237999                                                          | Total downward reestimate subsidy budget authority ..... | -18       |           |      |

This account funds direct and guaranteed business and industry loans, rural business enterprise grants, and rural business opportunity grants. Business and industry guaranteed and direct loans are authorized under section 310B(a)(1) of the Consolidated Farm and Rural Development, as amended. These loans are made to public, private or cooperative organizations, Indian tribes or tribal groups, corporate entities, or individuals for the purpose of improving the economic climate in rural areas. For direct loans, no funds have been requested or provided since 2002, and no funds are requested in the Budget. The 2013 projections for loan guarantees are \$821.2 million. Funding requested in this account for the rural business enterprise grants is \$29.8 million. No funding is requested for rural business opportunity grants, however many of the same activities funded with these grants can be accomplished under the rural business enterprise grant program.

**RURAL BUSINESS AND INDUSTRY DIRECT LOANS FINANCING ACCOUNT**

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

| Identification code 12-4223-0-3-452                          | 2011 actual                                                                | 2012 est. | 2013 est. |    |
|--------------------------------------------------------------|----------------------------------------------------------------------------|-----------|-----------|----|
| <b>Obligations by program activity:</b>                      |                                                                            |           |           |    |
| Credit program obligations:                                  |                                                                            |           |           |    |
| 0713                                                         | Payment of interest to Treasury .....                                      | 2         | 1         | 1  |
| 0742                                                         | Downward reestimate paid to receipt account .....                          | 1         | 20        |    |
| 0743                                                         | Interest on downward reestimates .....                                     | 1         | 19        |    |
| 0900                                                         | Total new obligations .....                                                | 4         | 40        | 1  |
| <b>Budgetary Resources:</b>                                  |                                                                            |           |           |    |
| Unobligated balance:                                         |                                                                            |           |           |    |
| 1000                                                         | Unobligated balance brought forward, Oct 1 .....                           | 11        | 9         |    |
| 1023                                                         | Unobligated balances applied to repay debt .....                           | -11       | -9        |    |
| Financing authority:                                         |                                                                            |           |           |    |
| Borrowing authority, mandatory:                              |                                                                            |           |           |    |
| 1400                                                         | Borrowing authority .....                                                  | 2         | 40        |    |
| 1440                                                         | Borrowing authority, mandatory (total) .....                               | 2         | 40        |    |
| Spending authority from offsetting collections, mandatory:   |                                                                            |           |           |    |
| 1800                                                         | Collected .....                                                            | 14        | 4         | 4  |
| 1825                                                         | Spending authority from offsetting collections applied to repay debt ..... | -3        | -4        | -3 |
| 1850                                                         | Spending auth from offsetting collections, mand (total) .....              | 11        |           | 1  |
| 1900                                                         | Financing authority (total) .....                                          | 13        | 40        | 1  |
| 1930                                                         | Total budgetary resources available .....                                  | 13        | 40        | 1  |
| Memorandum (non-add) entries:                                |                                                                            |           |           |    |
| 1941                                                         | Unexpired unobligated balance, end of year .....                           | 9         |           |    |
| <b>Change in obligated balance:</b>                          |                                                                            |           |           |    |
| 3030                                                         | Obligations incurred, unexpired accounts .....                             | 4         | 40        | 1  |
| 3040                                                         | Financing disbursements (gross) .....                                      | -4        | -40       | -1 |
| <b>Financing authority and disbursements, net:</b>           |                                                                            |           |           |    |
| Mandatory:                                                   |                                                                            |           |           |    |
| 4090                                                         | Financing authority, gross .....                                           | 13        | 40        | 1  |
| Financing disbursements:                                     |                                                                            |           |           |    |
| 4110                                                         | Financing disbursements, gross .....                                       | 4         | 40        | 1  |
| Offsets against gross financing authority and disbursements: |                                                                            |           |           |    |
| Offsetting collections (collected) from:                     |                                                                            |           |           |    |
| 4120                                                         | Federal sources .....                                                      | -10       |           |    |
| 4122                                                         | Interest on uninvested funds .....                                         | -1        | -1        | -1 |
| 4123                                                         | Repayments of principal .....                                              | -2        | -2        | -2 |
| 4123                                                         | Interest received on loans .....                                           | -1        | -1        | -1 |
| 4130                                                         | Offsets against gross financing auth and disbursements (total) .....       | -14       | -4        | -4 |
| 4160                                                         | Financing authority, net (mandatory) .....                                 | -1        | 36        | -3 |
| 4170                                                         | Financing disbursements, net (mandatory) .....                             | -10       | 36        | -3 |
| 4180                                                         | Financing authority, net (total) .....                                     | -1        | 36        | -3 |
| 4190                                                         | Financing disbursements, net (total) .....                                 | -10       | 36        | -3 |

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

| Identification code 12-4223-0-3-452             | 2011 actual                                  | 2012 est. | 2013 est. |    |
|-------------------------------------------------|----------------------------------------------|-----------|-----------|----|
| Cumulative balance of direct loans outstanding: |                                              |           |           |    |
| 1210                                            | Outstanding, start of year .....             | 27        | 25        | 22 |
| 1251                                            | Repayments: Repayments and prepayments ..... | -2        | -2        | -2 |
| 1263                                            | Write-offs for default: Direct loans .....   |           | -1        |    |
| 1290                                            | Outstanding, end of year .....               | 25        | 22        | 20 |

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. The subsidy cost of this program is funded through the Rural Business Program Account. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

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

| Identification code 12-4223-0-3-452 | 2010 actual                                       | 2011 actual |    |
|-------------------------------------|---------------------------------------------------|-------------|----|
| ASSETS:                             |                                                   |             |    |
| 1101                                | Federal assets: Fund balances with Treasury ..... | 11          | 10 |

RURAL BUSINESS AND INDUSTRY DIRECT LOANS FINANCING  
ACCOUNT—Continued  
Balance Sheet—Continued

| Identification code 12-4223-0-3-452                               | 2010 actual | 2011 actual |
|-------------------------------------------------------------------|-------------|-------------|
| Net value of assets related to post-1991 direct loans receivable: |             |             |
| 1401 Direct loans receivable, gross .....                         | 27          | 25          |
| 1405 Allowance for subsidy cost (-) .....                         | -2          | -10         |
| 1499 Net present value of assets related to direct loans .....    | 25          | 15          |
| 1999 Total assets .....                                           | 36          | 25          |
| LIABILITIES:                                                      |             |             |
| 2104 Federal liabilities: Resources payable to Treasury .....     | 36          | 25          |
| 4999 Total liabilities and net position .....                     | 36          | 25          |

RURAL BUSINESS AND INDUSTRY GUARANTEED LOANS FINANCING ACCOUNT  
Program and Financing (in millions of dollars)

| Identification code 12-4227-0-3-452                    | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                |             |           |           |
| Credit program obligations:                            |             |           |           |
| 0711 Default claim payments on principal .....         | 166         | 206       | 237       |
| 0712 Default claim payments on interest .....          | 4           | 4         | 4         |
| 0713 Payment of interest to Treasury .....             | 2           | 3         | 3         |
| 0742 Downward reestimate paid to receipt account ..... | 15          |           |           |
| 0743 Interest on downward reestimates .....            | 4           |           |           |
| 0900 Total new obligations .....                       | 191         | 213       | 244       |

|                                                                                               |     |      |     |
|-----------------------------------------------------------------------------------------------|-----|------|-----|
| <b>Budgetary Resources:</b>                                                                   |     |      |     |
| Unobligated balance:                                                                          |     |      |     |
| 1000 Unobligated balance brought forward, Oct 1 .....                                         | 322 | 368  |     |
| 1022 Capital transfer of unobligated balances to general fund .....                           |     | -340 |     |
| 1023 Unobligated balances applied to repay debt .....                                         | -35 | -28  |     |
| 1050 Unobligated balance (total) .....                                                        | 287 |      |     |
| Financing authority:                                                                          |     |      |     |
| Borrowing authority, mandatory:                                                               |     |      |     |
| 1400 Borrowing authority .....                                                                | 9   |      | 101 |
| 1440 Borrowing authority, mandatory (total) .....                                             | 9   |      | 101 |
| Spending authority from offsetting collections, mandatory:                                    |     |      |     |
| 1800 Collected .....                                                                          | 263 | 312  | 129 |
| 1801 Change in uncollected payments, Federal sources .....                                    |     | 20   | 14  |
| 1820 Capital transfer of spending authority from offsetting collections to general fund ..... |     | -119 |     |
| 1850 Spending auth from offsetting collections, mand (total) .....                            | 263 | 213  | 143 |
| 1900 Financing authority (total) .....                                                        | 272 | 213  | 244 |
| 1930 Total budgetary resources available .....                                                | 559 | 213  | 244 |
| Memorandum (non-add) entries:                                                                 |     |      |     |
| 1941 Unexpired unobligated balance, end of year .....                                         | 368 |      |     |

|                                                                   |      |      |      |
|-------------------------------------------------------------------|------|------|------|
| <b>Change in obligated balance:</b>                               |      |      |      |
| Obligated balance, start of year (net):                           |      |      |      |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... |      |      | -20  |
| 3020 Obligated balance, start of year (net) .....                 |      |      | -20  |
| 3030 Obligations incurred, unexpired accounts .....               | 191  | 213  | 244  |
| 3040 Financing disbursements (gross) .....                        | -191 | -213 | -244 |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....    |      | -20  | -14  |
| Obligated balance, end of year (net):                             |      |      |      |
| 3091 Uncollected pymts, Fed sources, end of year .....            |      | -20  | -34  |
| 3100 Obligated balance, end of year (net) .....                   |      | -20  | -34  |

|                                                                            |      |      |     |
|----------------------------------------------------------------------------|------|------|-----|
| <b>Financing authority and disbursements, net:</b>                         |      |      |     |
| Mandatory:                                                                 |      |      |     |
| 4090 Financing authority, gross .....                                      | 272  | 213  | 244 |
| Financing disbursements:                                                   |      |      |     |
| 4110 Financing disbursements, gross .....                                  | 191  | 213  | 244 |
| Offsets against gross financing authority and disbursements:               |      |      |     |
| Offsetting collections (collected) from:                                   |      |      |     |
| 4120 Federal sources .....                                                 | -185 | -242 | -48 |
| 4122 Interest on uninvested funds .....                                    | -11  | -13  | -15 |
| 4123 Interest and principal on purchased loans from secondary market ..... | -31  | -38  | -45 |
| 4123 Guarantee fees .....                                                  | -36  | -19  | -21 |

|                                                                           |      |      |      |
|---------------------------------------------------------------------------|------|------|------|
| 4130 Offsets against gross financing auth and disbursements (total) ..... | -263 | -312 | -129 |
| Additional offsets against financing authority only (total):              |      |      |      |
| 4140 Change in uncollected pymts, Fed sources, unexpired .....            |      | -20  | -14  |
| 4160 Financing authority, net (mandatory) .....                           | 9    | -119 | 101  |
| 4170 Financing disbursements, net (mandatory) .....                       | -72  | -99  | 115  |
| 4180 Financing authority, net (total) .....                               | 9    | -119 | 101  |
| 4190 Financing disbursements, net (total) .....                           | -72  | -99  | 115  |

Status of Guaranteed Loans (in millions of dollars)

| Identification code 12-4227-0-3-452                                    | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|-------------|-----------|-----------|
| Position with respect to appropriations act limitation on commitments: |             |           |           |
| 2131 Guaranteed loan commitments exempt from limitation .....          | 1,387       | 869       | 981       |
| 2150 Total guaranteed loan commitments .....                           | 1,387       | 869       | 981       |

|                                                                     |       |       |       |
|---------------------------------------------------------------------|-------|-------|-------|
| Cumulative balance of guaranteed loans outstanding:                 |       |       |       |
| 2210 Outstanding, start of year .....                               | 5,805 | 6,791 | 7,110 |
| 2231 Disbursements of new guaranteed loans .....                    | 1,695 | 1,208 | 1,019 |
| 2251 Repayments and prepayments .....                               | -451  | -679  | -711  |
| Adjustments:                                                        |       |       |       |
| 2261 Terminations for default that result in loans receivable ..... | -128  | -122  | -140  |
| 2263 Terminations for default that result in claim payments .....   | -42   | -88   | -102  |
| 2264 Other adjustments, net .....                                   | -88   |       |       |
| 2290 Outstanding, end of year .....                                 | 6,791 | 7,110 | 7,176 |

|                                                                           |       |       |       |
|---------------------------------------------------------------------------|-------|-------|-------|
| Memorandum:                                                               |       |       |       |
| 2299 Guaranteed amount of guaranteed loans outstanding, end of year ..... | 5,433 | 5,623 | 5,663 |

|                                                                                   |     |     |     |
|-----------------------------------------------------------------------------------|-----|-----|-----|
| Addendum:                                                                         |     |     |     |
| Cumulative balance of defaulted guaranteed loans that result in loans receivable: |     |     |     |
| 2310 Outstanding, start of year .....                                             |     | 349 | 459 |
| 2331 Disbursements for guaranteed loan claims .....                               | 176 | 204 | 213 |
| 2351 Repayments of loans receivable .....                                         | -29 | -35 | -46 |
| 2361 Write-offs of loans receivable .....                                         | -69 | -59 | -78 |
| 2364 Other adjustments, net .....                                                 | 271 |     |     |
| 2390 Outstanding, end of year .....                                               | 349 | 459 | 548 |

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from guaranteed loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. The subsidy cost of this program is funded through the Rural Business Program Account. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account. The account finances loan guarantee commitments for business development in rural areas.

Balance Sheet (in millions of dollars)

| Identification code 12-4227-0-3-452                                                                                                              | 2010 actual | 2011 actual |
|--------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                                                                                                   |             |             |
| Federal assets:                                                                                                                                  |             |             |
| 1101 Fund balances with Treasury .....                                                                                                           | 322         | 369         |
| Investments in US securities:                                                                                                                    |             |             |
| 1106 Receivables, net .....                                                                                                                      | 262         | 69          |
| 1501 Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable: Defaulted guaranteed loans receivable, gross ..... |             | 349         |
| 1999 Total assets .....                                                                                                                          | 584         | 787         |
| <b>LIABILITIES:</b>                                                                                                                              |             |             |
| Federal liabilities:                                                                                                                             |             |             |
| 2104 Resources payable to Treasury .....                                                                                                         | 54          | 28          |
| 2105 Other .....                                                                                                                                 | 18          |             |
| 2204 Non-Federal liabilities: Liabilities for loan guarantees .....                                                                              | 512         | 759         |
| 2999 Total liabilities .....                                                                                                                     | 584         | 787         |
| 4999 Total liabilities and net position .....                                                                                                    | 584         | 787         |



RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the principal amount of direct loans, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), **[\$17,710,000]** \$18,889,000.

For the cost of direct loans, **[\$6,000,000]** \$6,052,000, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), of which **[\$875,000]** \$900,000 shall be available through June 30, **[2012]** 2013, for Federally Recognized Native American Tribes; and of which **[\$1,750,000]** \$2,000,000 shall be available through June 30, **[2012]** 2013, for Mississippi Delta Region counties (as determined in accordance with Public Law 100-460): *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That of the total amount appropriated under this heading, the amount equal to the amount of Rural Development Loan Fund Program Account funds allocated by the Secretary for Rural Economic Area Partnership Zones for the fiscal year 2011, shall be available through June 30, 2012, for communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

In addition, for administrative expenses to carry out the direct loan programs, **[\$4,684,000]** \$4,438,000 shall be **[transferred to and merged with]** paid to the appropriation for "Rural Development, Salaries and Expenses". (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-2069-0-1-452                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                         |             |           |           |
| Credit program obligations:                                     |             |           |           |
| 0701 Direct loan subsidy .....                                  | 7           | 6         | 6         |
| 0709 Administrative expenses .....                              | 5           | 5         | 4         |
| 0900 Total new obligations .....                                | 12          | 11        | 10        |
| <b>Budgetary Resources:</b>                                     |             |           |           |
| Budget authority:                                               |             |           |           |
| Appropriations, discretionary:                                  |             |           |           |
| 1100 Appropriation .....                                        | 12          | 11        | 10        |
| 1160 Appropriation, discretionary (total) .....                 | 12          | 11        | 10        |
| 1930 Total budgetary resources available .....                  | 12          | 11        | 10        |
| <b>Change in obligated balance:</b>                             |             |           |           |
| Obligated balance, start of year (net):                         |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....   | 33          | 29        | 23        |
| 3030 Obligations incurred, unexpired accounts .....             | 12          | 11        | 10        |
| 3040 Outlays (gross) .....                                      | -12         | -11       | -13       |
| 3081 Recoveries of prior year unpaid obligations, expired ..... | -4          |           |           |
| Obligated balance, end of year (net):                           |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....              | 29          | 23        | 20        |
| 3100 Obligated balance, end of year (net) .....                 | 29          | 23        | 20        |
| <b>Budget authority and outlays, net:</b>                       |             |           |           |
| Discretionary:                                                  |             |           |           |
| 4000 Budget authority, gross .....                              | 12          | 11        | 10        |
| Outlays, gross:                                                 |             |           |           |
| 4010 Outlays from new discretionary authority .....             | 5           | 5         | 4         |
| 4011 Outlays from discretionary balances .....                  | 7           | 12        | 9         |
| 4020 Outlays, gross (total) .....                               | 12          | 17        | 13        |
| 4180 Budget authority, net (total) .....                        | 12          | 11        | 10        |
| 4190 Outlays, net (total) .....                                 | 12          | 17        | 13        |

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

| Identification code 12-2069-0-1-452                         | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------|-------------|-----------|-----------|
| Direct loan levels supportable by subsidy budget authority: |             |           |           |
| 115001 Intermediary Relending Program .....                 | 19          | 18        | 19        |
| 115999 Total direct loan levels .....                       | 19          | 18        | 19        |
| Direct loan subsidy (in percent):                           |             |           |           |
| 132001 Intermediary Relending Program .....                 | 38.58       | 33.88     | 32.04     |
| 132999 Weighted average subsidy rate .....                  | 38.58       | 33.88     | 32.04     |
| Direct loan subsidy budget authority:                       |             |           |           |
| 133001 Intermediary Relending Program .....                 | 7           | 6         | 6         |

|                                                         |    |    |   |
|---------------------------------------------------------|----|----|---|
| 133999 Total subsidy budget authority .....             | 7  | 6  | 6 |
| Direct loan subsidy outlays:                            |    |    |   |
| 134001 Intermediary Relending Program .....             | 7  | 12 | 9 |
| 134999 Total subsidy outlays .....                      | 7  | 12 | 9 |
| Direct loan downward reestimates:                       |    |    |   |
| 137001 Intermediary Relending Program .....             | -6 | -5 |   |
| 137999 Total downward reestimate budget authority ..... | -6 | -5 |   |
| Administrative expense data:                            |    |    |   |
| 3510 Budget authority .....                             | 5  | 5  | 4 |
| 3590 Outlays from new authority .....                   | 5  | 5  | 4 |

This account finances loans to intermediary borrowers, who, in turn, re-lend the funds to small rural businesses, community development corporations, and other organizations for the purpose of improving economic opportunities in rural areas. Through the use of local intermediaries, this program serves small-scale enterprises and gives preference to those communities with the greatest need. The 2013 Budget proposes \$6.1 million in budget authority to support this program.

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

Object Classification (in millions of dollars)

| Identification code 12-2069-0-1-452                      | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                      |             |           |           |
| 25.3 Other goods and services from Federal sources ..... | 5           | 5         | 4         |
| 41.0 Grants, subsidies, and contributions .....          | 7           | 6         | 6         |
| 99.9 Total new obligations .....                         | 12          | 11        | 10        |

RURAL DEVELOPMENT LOAN FUND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4219-0-3-452                                             | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                         |             |           |           |
| Credit program obligations:                                                     |             |           |           |
| 0710 Direct loan obligations .....                                              | 19          | 18        | 19        |
| 0713 Payment of interest to Treasury .....                                      | 17          | 18        | 20        |
| 0742 Downward reestimate paid to receipt account .....                          | 4           | 3         |           |
| 0743 Interest on downward reestimates .....                                     | 2           | 2         |           |
| 0900 Total new obligations .....                                                | 42          | 41        | 39        |
| <b>Budgetary Resources:</b>                                                     |             |           |           |
| Unobligated balance:                                                            |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                           | 6           | 2         |           |
| 1021 Recoveries of prior year unpaid obligations .....                          | 10          |           |           |
| 1023 Unobligated balances applied to repay debt .....                           | -10         | -2        |           |
| 1024 Unobligated balance of borrowing authority withdrawn .....                 | -6          |           |           |
| Financing authority:                                                            |             |           |           |
| Borrowing authority, mandatory:                                                 |             |           |           |
| 1400 Borrowing authority .....                                                  | 25          | 9         | 6         |
| 1440 Borrowing authority, mandatory (total) .....                               | 25          | 9         | 6         |
| Spending authority from offsetting collections, mandatory:                      |             |           |           |
| 1800 Collected .....                                                            | 38          | 38        | 36        |
| 1801 Change in uncollected payments, Federal sources .....                      | -3          | -6        | -3        |
| 1825 Spending authority from offsetting collections applied to repay debt ..... | -16         |           |           |
| 1850 Spending auth from offsetting collections, mand (total) .....              | 19          | 32        | 33        |
| 1900 Financing authority (total) .....                                          | 44          | 41        | 39        |
| 1930 Total budgetary resources available .....                                  | 44          | 41        | 39        |
| Memorandum (non-add) entries:                                                   |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                           | 2           |           |           |
| <b>Change in obligated balance:</b>                                             |             |           |           |
| Obligated balance, start of year (net):                                         |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....                   | 91          | 79        | 64        |

RURAL DEVELOPMENT LOAN FUND DIRECT LOAN FINANCING  
ACCOUNT—Continued

Program and Financing—Continued

| Identification code 12-4219-0-3-452                                       | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------|-------------|-----------|-----------|
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....         | -33         | -30       | -24       |
| 3020 Obligated balance, start of year (net) .....                         | 58          | 49        | 40        |
| 3030 Obligations incurred, unexpired accounts .....                       | 42          | 41        | 39        |
| 3040 Financing disbursements (gross) .....                                | -44         | -56       | -49       |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....            | 3           | 6         | 3         |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....         | -10         |           |           |
| Obligated balance, end of year (net):                                     |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                        | 79          | 64        | 54        |
| 3091 Uncollected pymts, Fed sources, end of year .....                    | -30         | -24       | -21       |
| 3100 Obligated balance, end of year (net) .....                           | 49          | 40        | 33        |
| <b>Financing authority and disbursements, net:</b>                        |             |           |           |
| Mandatory:                                                                |             |           |           |
| 4090 Financing authority, gross .....                                     | 44          | 41        | 39        |
| Financing disbursements:                                                  |             |           |           |
| 4110 Financing disbursements, gross .....                                 | 44          | 56        | 49        |
| Offsets against gross financing authority and disbursements:              |             |           |           |
| Offsetting collections (collected) from:                                  |             |           |           |
| 4120 Payments from program account .....                                  | -8          | -12       | -9        |
| 4122 Interest on uninvested funds .....                                   | -2          | -2        | -2        |
| 4123 Non-Federal sources - repayment of principal .....                   | -24         | -20       | -20       |
| 4123 Non-Federal sources - interest on loans .....                        | -4          | -4        | -5        |
| 4130 Offsets against gross financing auth and disbursements (total) ..... | -38         | -38       | -36       |
| Additional offsets against financing authority only (total):              |             |           |           |
| 4140 Change in uncollected pymts, Fed sources, unexpired .....            | 3           | 6         | 3         |
| 4160 Financing authority, net (mandatory) .....                           | 9           | 9         | 6         |
| 4170 Financing disbursements, net (mandatory) .....                       | 6           | 18        | 13        |
| 4180 Financing authority, net (total) .....                               | 9           | 9         | 6         |
| 4190 Financing disbursements, net (total) .....                           | 6           | 18        | 13        |

Status of Direct Loans (in millions of dollars)

| Identification code 12-4219-0-3-452                                    | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|-------------|-----------|-----------|
| Position with respect to appropriations act limitation on obligations: |             |           |           |
| 1131 Direct loan obligations exempt from limitation .....              | 19          | 18        | 19        |
| 1150 Total direct loan obligations .....                               | 19          | 18        | 19        |
| Cumulative balance of direct loans outstanding:                        |             |           |           |
| 1210 Outstanding, start of year .....                                  | 446         | 439       | 452       |
| 1231 Disbursements: Direct loan disbursements .....                    | 21          | 33        | 29        |
| 1251 Repayments: Repayments and prepayments .....                      | -25         | -20       | -20       |
| 1264 Write-offs for default: Other adjustments, net (+ or -) .....     | -3          |           |           |
| 1290 Outstanding, end of year .....                                    | 439         | 452       | 461       |

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

Balance Sheet (in millions of dollars)

| Identification code 12-4219-0-3-452                               | 2010 actual | 2011 actual |
|-------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                    |             |             |
| 1101 Federal assets: Fund balances with Treasury .....            | 18          | 11          |
| Net value of assets related to post-1991 direct loans receivable: |             |             |
| 1401 Direct loans receivable, gross .....                         | 446         | 439         |
| 1402 Interest receivable .....                                    | 1           | 2           |
| 1405 Allowance for subsidy cost (-) .....                         | -156        | -144        |
| 1499 Net present value of assets related to direct loans .....    | 291         | 297         |
| 1999 Total assets .....                                           | 309         | 308         |
| <b>LIABILITIES:</b>                                               |             |             |
| 2104 Federal liabilities: Resources payable to Treasury .....     | 309         | 308         |
| 4999 Total liabilities and net position .....                     | 309         | 308         |

RURAL DEVELOPMENT LOAN FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4233-0-3-452                                                           | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Budgetary Resources:</b>                                                                   |             |           |           |
| Unobligated balance:                                                                          |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                                         | 1           |           |           |
| 1022 Capital transfer of unobligated balances to general fund .....                           | -1          |           |           |
| Budget authority:                                                                             |             |           |           |
| Spending authority from offsetting collections, mandatory:                                    |             |           |           |
| 1800 Collected .....                                                                          | 3           | 3         | 3         |
| 1820 Capital transfer of spending authority from offsetting collections to general fund ..... | -3          | -3        | -3        |
| <b>Budget authority and outlays, net:</b>                                                     |             |           |           |
| Mandatory:                                                                                    |             |           |           |
| Offsets against gross budget authority and outlays:                                           |             |           |           |
| Offsetting collections (collected) from:                                                      |             |           |           |
| 4123 Non-Federal sources .....                                                                | -3          | -3        | -3        |
| 4180 Budget authority, net (total) .....                                                      | -3          | -3        | -3        |
| 4190 Outlays, net (total) .....                                                               | -3          | -3        | -3        |

Status of Direct Loans (in millions of dollars)

| Identification code 12-4233-0-3-452                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| Cumulative balance of direct loans outstanding:                    |             |           |           |
| 1210 Outstanding, start of year .....                              | 31          | 27        | 24        |
| 1251 Repayments: Repayments and prepayments .....                  | -3          | -3        | -3        |
| 1264 Write-offs for default: Other adjustments, net (+ or -) ..... | -1          |           |           |
| 1290 Outstanding, end of year .....                                | 27          | 24        | 21        |

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated prior to 1992. New loan activity in 1992 and beyond is recorded in corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

| Identification code 12-4233-0-3-452                                     | 2010 actual | 2011 actual |
|-------------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                          |             |             |
| 1601 Direct loans, gross .....                                          | 31          | 27          |
| 1603 Allowance for estimated uncollectible loans and interest (-) ..... | -14         | -12         |
| 1699 Value of assets related to direct loans .....                      | 17          | 15          |
| 1999 Total assets .....                                                 | 17          | 15          |
| <b>LIABILITIES:</b>                                                     |             |             |
| 2104 Federal liabilities: Resources payable to Treasury .....           | 17          | 15          |
| 4999 Total liabilities and net position .....                           | 17          | 15          |

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(INCLUDING [RESCISSION] CANCELLATION OF FUNDS)

For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, \$33,077,000.

Of the funds derived from interest on the cushion of credit payments, as authorized by section 313 of the Rural Electrification Act of 1936, **[\$155,000,000] \$165,000,000** shall not be obligated and **[\$155,000,000] \$165,000,000** are **[rescinded] hereby permanently cancelled.** (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)

Program and Financing (in millions of dollars)

| Identification code 12-3108-0-1-452           | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>       |             |           |           |
| Credit program obligations:                   |             |           |           |
| 0701 Direct loan subsidy .....                | 5           | 10        | 4         |
| 0705 Reestimates of direct loan subsidy ..... | 1           | 1         |           |

|                                                            |                                                         |    |    |   |
|------------------------------------------------------------|---------------------------------------------------------|----|----|---|
| 0900                                                       | Total new obligations (object class 41.0)               | 6  | 11 | 4 |
| <b>Budgetary Resources:</b>                                |                                                         |    |    |   |
| Unobligated balance:                                       |                                                         |    |    |   |
| 1000                                                       | Unobligated balance brought forward, Oct 1              | 4  | 6  | 1 |
| 1021                                                       | Recoveries of prior year unpaid obligations             | 1  |    |   |
| 1050                                                       | Unobligated balance (total)                             | 5  | 6  | 1 |
| Budget authority:                                          |                                                         |    |    |   |
| Appropriations, mandatory:                                 |                                                         |    |    |   |
| 1200                                                       | Appropriation                                           | 1  | 2  |   |
| 1260                                                       | Appropriations, mandatory (total)                       | 1  | 2  |   |
| Spending authority from offsetting collections, mandatory: |                                                         |    |    |   |
| 1800                                                       | Collected                                               | 6  | 4  | 4 |
| 1850                                                       | Spending auth from offsetting collections, mand (total) | 6  | 4  | 4 |
| 1900                                                       | Budget authority (total)                                | 7  | 6  | 4 |
| 1930                                                       | Total budgetary resources available                     | 12 | 12 | 5 |
| Memorandum (non-add) entries:                              |                                                         |    |    |   |
| 1941                                                       | Unexpired unobligated balance, end of year              | 6  | 1  | 1 |

|                                         |                                                        |    |     |    |
|-----------------------------------------|--------------------------------------------------------|----|-----|----|
| <b>Change in obligated balance:</b>     |                                                        |    |     |    |
| Obligated balance, start of year (net): |                                                        |    |     |    |
| 3000                                    | Unpaid obligations, brought forward, Oct 1 (gross)     | 6  | 6   | 7  |
| 3030                                    | Obligations incurred, unexpired accounts               | 6  | 11  | 4  |
| 3040                                    | Outlays (gross)                                        | -5 | -10 | -8 |
| 3080                                    | Recoveries of prior year unpaid obligations, unexpired | -1 |     |    |
| Obligated balance, end of year (net):   |                                                        |    |     |    |
| 3090                                    | Unpaid obligations, end of year (gross)                | 6  | 7   | 3  |
| 3100                                    | Obligated balance, end of year (net)                   | 6  | 7   | 3  |

|                                                     |                                      |    |    |    |
|-----------------------------------------------------|--------------------------------------|----|----|----|
| <b>Budget authority and outlays, net:</b>           |                                      |    |    |    |
| Mandatory:                                          |                                      |    |    |    |
| 4090                                                | Budget authority, gross              | 7  | 6  | 4  |
| Outlays, gross:                                     |                                      |    |    |    |
| 4100                                                | Outlays from new mandatory authority | 2  | 3  | 1  |
| 4101                                                | Outlays from mandatory balances      | 3  | 7  | 7  |
| 4110                                                | Outlays, gross (total)               | 5  | 10 | 8  |
| Offsets against gross budget authority and outlays: |                                      |    |    |    |
| Offsetting collections (collected) from:            |                                      |    |    |    |
| 4120                                                | Federal sources                      | -6 | -4 | -4 |
| 4180                                                | Budget authority, net (total)        | 1  | 2  |    |
| 4190                                                | Outlays, net (total)                 | -1 | 6  | 4  |

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

| Identification code 12-3108-0-1-452                         | 2011 actual                                | 2012 est. | 2013 est. |       |
|-------------------------------------------------------------|--------------------------------------------|-----------|-----------|-------|
| Direct loan levels supportable by subsidy budget authority: |                                            |           |           |       |
| 115001                                                      | Rural Economic Development Loans           | 29        | 79        | 33    |
| 115999                                                      | Total direct loan levels                   | 29        | 79        | 33    |
| Direct loan subsidy (in percent):                           |                                            |           |           |       |
| 132001                                                      | Rural Economic Development Loans           | 17.91     | 12.98     | 12.39 |
| 132999                                                      | Weighted average subsidy rate              | 17.91     | 12.98     | 12.39 |
| Direct loan subsidy budget authority:                       |                                            |           |           |       |
| 133001                                                      | Rural Economic Development Loans           | 5         | 10        | 4     |
| 133999                                                      | Total subsidy budget authority             | 5         | 10        | 4     |
| Direct loan subsidy outlays:                                |                                            |           |           |       |
| 134001                                                      | Rural Economic Development Loans           | 4         | 8         | 8     |
| 134999                                                      | Total subsidy outlays                      | 4         | 8         | 8     |
| Direct loan upward reestimates:                             |                                            |           |           |       |
| 135001                                                      | Rural Economic Development Loans           | 1         | 2         |       |
| 135999                                                      | Total upward reestimate budget authority   | 1         | 2         |       |
| Direct loan downward reestimates:                           |                                            |           |           |       |
| 137001                                                      | Rural Economic Development Loans           | -3        | -1        |       |
| 137999                                                      | Total downward reestimate budget authority | -3        | -1        |       |

Rural economic development loans are made for the purpose of promoting rural economic development and job creation projects. Loans are made to electric and telecommunication borrowers, who, in turn, finance rural development projects in their service areas. Program costs are derived from interest earnings on borrowers' "cushion of credit" loan prepayments. The 2013 Budget proposes a loan level of \$33 million for this program which maintains the 2012 enacted level.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the direct loans obligated in 1992 and beyond. The subsidy amounts are estimated on a present value basis.

**RURAL ECONOMIC DEVELOPMENT DIRECT LOAN FINANCING ACCOUNT**

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

| Identification code 12-4176-0-3-452     | 2011 actual                                 | 2012 est. | 2013 est. |    |
|-----------------------------------------|---------------------------------------------|-----------|-----------|----|
| <b>Obligations by program activity:</b> |                                             |           |           |    |
| Credit program obligations:             |                                             |           |           |    |
| 0710                                    | Direct loan obligations                     | 29        | 79        | 33 |
| 0713                                    | Payment of interest to Treasury             | 5         | 5         | 5  |
| 0742                                    | Downward reestimate paid to receipt account | 3         | 1         |    |
| 0900                                    | Total new obligations                       | 37        | 85        | 38 |

|                                                            |                                                                      |     |    |    |
|------------------------------------------------------------|----------------------------------------------------------------------|-----|----|----|
| <b>Budgetary Resources:</b>                                |                                                                      |     |    |    |
| Unobligated balance:                                       |                                                                      |     |    |    |
| 1000                                                       | Unobligated balance brought forward, Oct 1                           | 23  | 1  |    |
| 1021                                                       | Recoveries of prior year unpaid obligations                          | 6   |    |    |
| 1023                                                       | Unobligated balances applied to repay debt                           | -24 | -1 |    |
| 1024                                                       | Unobligated balance of borrowing authority withdrawn                 | -4  |    |    |
| 1050                                                       | Unobligated balance (total)                                          | 1   |    |    |
| Financing authority:                                       |                                                                      |     |    |    |
| Borrowing authority, mandatory:                            |                                                                      |     |    |    |
| 1400                                                       | Borrowing authority                                                  | 27  | 51 |    |
| 1440                                                       | Borrowing authority, mandatory (total)                               | 27  | 51 |    |
| Spending authority from offsetting collections, mandatory: |                                                                      |     |    |    |
| 1800                                                       | Collected                                                            | 25  | 34 | 40 |
| 1801                                                       | Change in uncollected payments, Federal sources                      |     |    | 1  |
| 1825                                                       | Spending authority from offsetting collections applied to repay debt | -15 |    | -2 |
| 1850                                                       | Spending auth from offsetting collections, mand (total)              | 10  | 34 | 39 |
| 1900                                                       | Financing authority (total)                                          | 37  | 85 | 39 |
| 1930                                                       | Total budgetary resources available                                  | 38  | 85 | 39 |
| Memorandum (non-add) entries:                              |                                                                      |     |    |    |
| 1941                                                       | Unexpired unobligated balance, end of year                           | 1   |    | 1  |

|                                         |                                                        |     |     |     |
|-----------------------------------------|--------------------------------------------------------|-----|-----|-----|
| <b>Change in obligated balance:</b>     |                                                        |     |     |     |
| Obligated balance, start of year (net): |                                                        |     |     |     |
| 3000                                    | Unpaid obligations, brought forward, Oct 1 (gross)     | 34  | 33  | 49  |
| 3010                                    | Uncollected pymts, Fed sources, brought forward, Oct 1 | -6  | -6  | -6  |
| 3020                                    | Obligated balance, start of year (net)                 | 28  | 27  | 43  |
| 3030                                    | Obligations incurred, unexpired accounts               | 37  | 85  | 38  |
| 3040                                    | Financing disbursements (gross)                        | -32 | -69 | -65 |
| 3050                                    | Change in uncollected pymts, Fed sources, unexpired    |     |     | -1  |
| 3080                                    | Recoveries of prior year unpaid obligations, unexpired | -6  |     |     |
| Obligated balance, end of year (net):   |                                                        |     |     |     |
| 3090                                    | Unpaid obligations, end of year (gross)                | 33  | 49  | 22  |
| 3091                                    | Uncollected pymts, Fed sources, end of year            | -6  | -6  | -7  |
| 3100                                    | Obligated balance, end of year (net)                   | 27  | 43  | 15  |

|                                                              |                                                                |     |     |     |
|--------------------------------------------------------------|----------------------------------------------------------------|-----|-----|-----|
| <b>Financing authority and disbursements, net:</b>           |                                                                |     |     |     |
| Mandatory:                                                   |                                                                |     |     |     |
| 4090                                                         | Financing authority, gross                                     | 37  | 85  | 39  |
| Financing disbursements:                                     |                                                                |     |     |     |
| 4110                                                         | Financing disbursements, gross                                 | 32  | 69  | 65  |
| Offsets against gross financing authority and disbursements: |                                                                |     |     |     |
| Offsetting collections (collected) from:                     |                                                                |     |     |     |
| 4120                                                         | Federal Funds: Program Account                                 | -5  | -10 | -8  |
| 4122                                                         | Interest on uninvested funds                                   | -1  | -2  | -1  |
| 4123                                                         | Non-Federal sources: Repayment of Principal                    | -19 | -22 | -31 |
| 4130                                                         | Offsets against gross financing auth and disbursements (total) | -25 | -34 | -40 |
| Additional offsets against financing authority only (total): |                                                                |     |     |     |
| 4140                                                         | Change in uncollected pymts, Fed sources, unexpired            |     |     | -1  |
| 4160                                                         | Financing authority, net (mandatory)                           | 12  | 51  | -2  |
| 4170                                                         | Financing disbursements, net (mandatory)                       | 7   | 35  | 25  |
| 4180                                                         | Financing authority, net (total)                               | 12  | 51  | -2  |
| 4190                                                         | Financing disbursements, net (total)                           | 7   | 35  | 25  |

RURAL ECONOMIC DEVELOPMENT DIRECT LOAN FINANCING ACCOUNT—Continued

Status of Direct Loans (in millions of dollars)

| Identification code 12-4176-0-3-452                                    | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|-------------|-----------|-----------|
| Position with respect to appropriations act limitation on obligations: |             |           |           |
| 1111 Limitation on direct loans .....                                  | 29          | 79        | 33        |
| 1150 Total direct loan obligations .....                               | 29          | 79        | 33        |
| Cumulative balance of direct loans outstanding:                        |             |           |           |
| 1210 Outstanding, start of year .....                                  | 105         | 110       | 153       |
| 1231 Disbursements: Direct loan disbursements .....                    | 24          | 64        | 59        |
| 1251 Repayments: Repayments and prepayments .....                      | -19         | -21       | -29       |
| 1290 Outstanding, end of year .....                                    | 110         | 153       | 183       |

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

Balance Sheet (in millions of dollars)

| Identification code 12-4176-0-3-452                               | 2010 actual | 2011 actual |
|-------------------------------------------------------------------|-------------|-------------|
| ASSETS:                                                           |             |             |
| 1101 Federal assets: Fund balances with Treasury .....            | 22          | 11          |
| Net value of assets related to post-1991 direct loans receivable: |             |             |
| 1401 Direct loans receivable, gross .....                         | 105         | 110         |
| 1405 Allowance for subsidy cost (-) .....                         | -12         | -10         |
| 1499 Net present value of assets related to direct loans .....    | 93          | 100         |
| 1999 Total assets .....                                           | 115         | 111         |
| LIABILITIES:                                                      |             |             |
| 2104 Federal liabilities: Resources payable to Treasury .....     | 115         | 111         |
| 4999 Total liabilities and net position .....                     | 115         | 111         |

RURAL BUSINESS INVESTMENT PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-1907-0-1-452                           | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------|-------------|-----------|-----------|
| <b>Change in obligated balance:</b>                           |             |           |           |
| Obligated balance, start of year (net):                       |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) ..... | 3           | 2         | 2         |
| 3040 Outlays (gross) .....                                    | -1          |           |           |
| Obligated balance, end of year (net):                         |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....            | 2           | 2         | 2         |
| 3100 Obligated balance, end of year (net) .....               | 2           | 2         | 2         |
| <b>Budget authority and outlays, net:</b>                     |             |           |           |
| Mandatory:                                                    |             |           |           |
| Outlays, gross:                                               |             |           |           |
| 4101 Outlays from mandatory balances .....                    | 1           |           |           |
| 4190 Outlays, net (total) .....                               | 1           |           |           |

The Rural Business Investment Program was authorized and provided mandatory funding by section 6029 of the Farm Security and Rural Investment Act of 2002, Public Law 107-171. The Deficit Reduction Act rescinded the unobligated balance and no funds are requested for 2013.

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

RURAL BUSINESS INVESTMENT PROGRAM GUARANTEE FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4033-0-3-452                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Budgetary Resources:</b>                                        |             |           |           |
| Unobligated balance:                                               |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....              | 1           | 1         | 1         |
| Financing authority:                                               |             |           |           |
| Spending authority from offsetting collections, mandatory:         |             |           |           |
| 1800 Collected .....                                               |             |           | 1         |
| 1850 Spending auth from offsetting collections, mand (total) ..... |             |           | 1         |
| 1930 Total budgetary resources available .....                     | 1           | 1         | 2         |
| Memorandum (non-add) entries:                                      |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....              | 1           | 1         | 2         |
| <b>Financing authority and disbursements, net:</b>                 |             |           |           |
| Mandatory:                                                         |             |           |           |
| 4090 Financing authority, gross .....                              |             |           | 1         |
| Offsets against gross financing authority and disbursements:       |             |           |           |
| Offsetting collections (collected) from:                           |             |           |           |
| 4122 Interest on uninvested funds .....                            |             |           | -1        |
| 4190 Financing disbursements, net (total) .....                    |             |           | -1        |

Status of Guaranteed Loans (in millions of dollars)

| Identification code 12-4033-0-3-452                                       | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------|-------------|-----------|-----------|
| Cumulative balance of guaranteed loans outstanding:                       |             |           |           |
| 2210 Outstanding, start of year .....                                     |             | 12        | 18        |
| 2231 Disbursements of new guaranteed loans .....                          | 12          | 6         | 6         |
| 2251 Repayments and prepayments .....                                     |             |           | -1        |
| 2290 Outstanding, end of year .....                                       | 12          | 18        | 23        |
| Memorandum:                                                               |             |           |           |
| 2299 Guaranteed amount of guaranteed loans outstanding, end of year ..... | 12          | 18        | 23        |

Balance Sheet (in millions of dollars)

| Identification code 12-4033-0-3-452                                 | 2010 actual | 2011 actual |
|---------------------------------------------------------------------|-------------|-------------|
| ASSETS:                                                             |             |             |
| Federal assets:                                                     |             |             |
| 1101 Fund balances with Treasury .....                              |             | 1           |
| Investments in US securities:                                       |             |             |
| 1106 Receivables, net .....                                         | 2           |             |
| 1999 Total assets .....                                             | 2           | 1           |
| LIABILITIES:                                                        |             |             |
| 2204 Non-Federal liabilities: Liabilities for loan guarantees ..... | 2           | 1           |
| 4999 Total liabilities and net position .....                       | 2           | 1           |

RURAL ENERGY FOR AMERICA PROGRAM

For the cost of a program of loan guarantees [and grants], under the same terms and conditions as authorized by section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107), [ \$3,400,000 ] \$4,575,000: Provided, That the cost of loan guarantees, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)

Program and Financing (in millions of dollars)

| Identification code 12-1908-0-1-451                          | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                      |             |           |           |
| 0011 Grants .....                                            | 62          | 12        | 27        |
| Credit program obligations:                                  |             |           |           |
| 0702 Loan guarantee subsidy .....                            | 16          | 12        | 29        |
| 0707 Reestimates of loan guarantee subsidy .....             | 6           | 14        |           |
| 0708 Interest on reestimates of loan guarantee subsidy ..... |             | 1         |           |
| 0791 Direct program activities, subtotal .....               | 22          | 27        | 29        |
| 0900 Total new obligations (object class 41.0) .....         | 84          | 39        | 56        |

| <b>Budgetary Resources:</b>    |                                                                                       |    |     |
|--------------------------------|---------------------------------------------------------------------------------------|----|-----|
| Unobligated balance:           |                                                                                       |    |     |
| 1000                           | Unobligated balance brought forward, Oct 1 .....                                      | 3  | 3   |
| 1021                           | Recoveries of prior year unpaid obligations .....                                     | 3  |     |
| 1050                           | Unobligated balance (total) .....                                                     | 6  | 3   |
| Budget authority:              |                                                                                       |    |     |
| Appropriations, discretionary: |                                                                                       |    |     |
| 1100                           | Appropriation .....                                                                   | 5  | 3   |
| 1160                           | Appropriation, discretionary (total) .....                                            | 5  | 3   |
| Appropriations, mandatory:     |                                                                                       |    |     |
| 1200                           | Appropriation .....                                                                   | 6  | 14  |
| 1203                           | Appropriation (previously unavailable) .....                                          |    | 51  |
| 1221                           | Transferred from other accounts [12-4336] .....                                       | 70 | 70  |
| 1232                           | Appropriations and/or unobligated balance of appropriations temporarily reduced ..... |    | -51 |
| 1260                           | Appropriations, mandatory (total) .....                                               | 76 | 33  |
| 1900                           | Budget authority (total) .....                                                        | 81 | 36  |
| 1930                           | Total budgetary resources available .....                                             | 87 | 39  |
| Memorandum (non-add) entries:  |                                                                                       |    |     |
| 1941                           | Unexpired unobligated balance, end of year .....                                      | 3  |     |

| <b>Change in obligated balance:</b>     |                                                              |     |     |
|-----------------------------------------|--------------------------------------------------------------|-----|-----|
| Obligated balance, start of year (net): |                                                              |     |     |
| 3000                                    | Unpaid obligations, brought forward, Oct 1 (gross) .....     | 128 | 119 |
| 3030                                    | Obligations incurred, unexpired accounts .....               | 84  | 39  |
| 3040                                    | Outlays (gross) .....                                        | -84 | -84 |
| 3080                                    | Recoveries of prior year unpaid obligations, unexpired ..... | -3  |     |
| 3081                                    | Recoveries of prior year unpaid obligations, expired .....   | -6  |     |
| Obligated balance, end of year (net):   |                                                              |     |     |
| 3090                                    | Unpaid obligations, end of year (gross) .....                | 119 | 74  |
| 3100                                    | Obligated balance, end of year (net) .....                   | 119 | 74  |

| <b>Budget authority and outlays, net:</b>               |                                                           |    |    |
|---------------------------------------------------------|-----------------------------------------------------------|----|----|
| Discretionary:                                          |                                                           |    |    |
| 4000                                                    | Budget authority, gross .....                             | 5  | 3  |
| Outlays, gross:                                         |                                                           |    |    |
| 4010                                                    | Outlays from new discretionary authority .....            | 3  |    |
| 4011                                                    | Outlays from discretionary balances .....                 | 27 | 11 |
| 4020                                                    | Outlays, gross (total) .....                              | 30 | 11 |
| Offsets against gross budget authority and outlays:     |                                                           |    |    |
| Offsetting collections (collected) from:                |                                                           |    |    |
| 4033                                                    | Non-Federal sources .....                                 | -1 |    |
| Additional offsets against gross budget authority only: |                                                           |    |    |
| 4052                                                    | Offsetting collections credited to expired accounts ..... | 1  |    |
| 4070                                                    | Budget authority, net (discretionary) .....               | 5  | 3  |
| 4080                                                    | Outlays, net (discretionary) .....                        | 29 | 11 |
| Mandatory:                                              |                                                           |    |    |
| 4090                                                    | Budget authority, gross .....                             | 76 | 33 |
| Outlays, gross:                                         |                                                           |    |    |
| 4100                                                    | Outlays from new mandatory authority .....                | 11 | 14 |
| 4101                                                    | Outlays from mandatory balances .....                     | 43 | 59 |
| 4110                                                    | Outlays, gross (total) .....                              | 54 | 73 |
| 4180                                                    | Budget authority, net (total) .....                       | 81 | 36 |
| 4190                                                    | Outlays, net (total) .....                                | 83 | 84 |

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

| Identification code 12-1908-0-1-451                             | 2011 actual                                    | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|------------------------------------------------|-----------|-----------|
| Guaranteed loan levels supportable by subsidy budget authority: |                                                |           |           |
| 215001                                                          | Renewable Energy Loan Guarantees .....         | 34        | 48        |
| 215999                                                          | Total loan guarantee levels .....              | 34        | 48        |
| Guaranteed loan subsidy (in percent):                           |                                                |           |           |
| 232001                                                          | Renewable Energy Loan Guarantees .....         | 46.36     | 26.19     |
| 232999                                                          | Weighted average subsidy rate .....            | 46.36     | 26.19     |
| Guaranteed loan subsidy budget authority:                       |                                                |           |           |
| 233001                                                          | Renewable Energy Loan Guarantees .....         | 16        | 13        |
| 233999                                                          | Total subsidy budget authority .....           | 16        | 13        |
| Guaranteed loan subsidy outlays:                                |                                                |           |           |
| 234001                                                          | Renewable Energy Loan Guarantees .....         | 4         | 9         |
| 234999                                                          | Total subsidy outlays .....                    | 4         | 9         |
| Guaranteed loan upward reestimates:                             |                                                |           |           |
| 235001                                                          | Renewable Energy Loan Guarantees .....         | 6         | 14        |
| 235999                                                          | Total upward reestimate budget authority ..... | 6         | 14        |
| Guaranteed loan downward reestimates:                           |                                                |           |           |
| 237001                                                          | Renewable Energy Loan Guarantees .....         | -2        | -1        |

|        |                                                          |    |    |
|--------|----------------------------------------------------------|----|----|
| 237999 | Total downward reestimate subsidy budget authority ..... | -2 | -1 |
|--------|----------------------------------------------------------|----|----|

The Rural Energy for America Program was formerly the Renewable Energy Systems and Energy Efficiency Improvements, and is authorized under 7 U.S.C. 8107. This program provides loan guarantees and grants to farmers, ranchers, and small rural businesses to purchase renewable energy systems and make energy efficiency improvements. The budget requests discretionary funding of \$4.6 million for loan guarantees to support \$19 million in private lending. This program is authorized pursuant to Section 9007 of the Farm Security and Rural Investment Act of 2002, as amended by the Food, Conservation and Energy Act of 2008.

**RURAL ENERGY FOR AMERICA GUARANTEED LOAN FINANCING ACCOUNT**

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

| Identification code 12-4267-0-3-451                          | 2011 actual                                                                              | 2012 est. | 2013 est. |
|--------------------------------------------------------------|------------------------------------------------------------------------------------------|-----------|-----------|
| <b>Obligations by program activity:</b>                      |                                                                                          |           |           |
| Credit program obligations:                                  |                                                                                          |           |           |
| 0711                                                         | Default claim payments on principal .....                                                | 2         | 8         |
| 0742                                                         | Downward reestimate paid to receipt account .....                                        | 2         | 1         |
| 0900                                                         | Total new obligations .....                                                              | 4         | 9         |
| <b>Budgetary Resources:</b>                                  |                                                                                          |           |           |
| Unobligated balance:                                         |                                                                                          |           |           |
| 1000                                                         | Unobligated balance brought forward, Oct 1 .....                                         | 15        | 21        |
| 1022                                                         | Capital transfer of unobligated balances to general fund .....                           |           | -21       |
| 1023                                                         | Unobligated balances applied to repay debt .....                                         | -5        |           |
| 1050                                                         | Unobligated balance (total) .....                                                        | 10        |           |
| Financing authority:                                         |                                                                                          |           |           |
| Borrowing authority, mandatory:                              |                                                                                          |           |           |
| 1400                                                         | Borrowing authority .....                                                                | 4         |           |
| 1440                                                         | Borrowing authority, mandatory (total) .....                                             | 4         |           |
| Spending authority from offsetting collections, mandatory:   |                                                                                          |           |           |
| 1800                                                         | Collected .....                                                                          | 11        | 24        |
| 1820                                                         | Capital transfer of spending authority from offsetting collections to general fund ..... |           | -15       |
| 1850                                                         | Spending auth from offsetting collections, mand (total) .....                            | 11        | 9         |
| 1900                                                         | Financing authority (total) .....                                                        | 15        | 9         |
| 1930                                                         | Total budgetary resources available .....                                                | 25        | 9         |
| Memorandum (non-add) entries:                                |                                                                                          |           |           |
| 1941                                                         | Unexpired unobligated balance, end of year .....                                         | 21        |           |
| <b>Change in obligated balance:</b>                          |                                                                                          |           |           |
| 3030                                                         | Obligations incurred, unexpired accounts .....                                           | 4         | 9         |
| 3040                                                         | Financing disbursements (gross) .....                                                    | -4        | -9        |
| <b>Financing authority and disbursements, net:</b>           |                                                                                          |           |           |
| Mandatory:                                                   |                                                                                          |           |           |
| 4090                                                         | Financing authority, gross .....                                                         | 15        | 9         |
| Financing disbursements:                                     |                                                                                          |           |           |
| 4110                                                         | Financing disbursements, gross .....                                                     | 4         | 9         |
| Offsets against gross financing authority and disbursements: |                                                                                          |           |           |
| Offsetting collections (collected) from:                     |                                                                                          |           |           |
| 4120                                                         | Federal sources .....                                                                    | -10       | -23       |
| 4122                                                         | Interest on uninvested funds .....                                                       | -1        | -1        |
| 4130                                                         | Offsets against gross financing auth and disbursements (total) .....                     | -11       | -24       |
| 4160                                                         | Financing authority, net (mandatory) .....                                               | 4         | -15       |
| 4170                                                         | Financing disbursements, net (mandatory) .....                                           | -7        | -15       |
| 4180                                                         | Financing authority, net (total) .....                                                   | 4         | -15       |
| 4190                                                         | Financing disbursements, net (total) .....                                               | -7        | -15       |

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

| Identification code 12-4267-0-3-451                                    | 2011 actual                                              | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|----------------------------------------------------------|-----------|-----------|
| Position with respect to appropriations act limitation on commitments: |                                                          |           |           |
| 2131                                                                   | Guaranteed loan commitments exempt from limitation ..... | 34        | 48        |
| 2150                                                                   | Total guaranteed loan commitments .....                  | 34        | 48        |
| 2199                                                                   | Guaranteed amount of guaranteed loan commitments .....   | 27        | 38        |

RURAL ENERGY FOR AMERICA GUARANTEED LOAN FINANCING  
ACCOUNT—Continued

Status of Guaranteed Loans—Continued

| Identification code 12-4267-0-3-451                                                      | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Cumulative balance of guaranteed loans outstanding:</b>                               |             |           |           |
| 2210 Outstanding, start of year .....                                                    | 58          | 65        | 84        |
| 2231 Disbursements of new guaranteed loans .....                                         | 37          | 57        | 53        |
| 2251 Repayments and prepayments .....                                                    | -28         | -30       | -34       |
| 2261 Adjustments: Terminations for default that result in loans receivable .....         | -2          | -8        | -10       |
| 2290 Outstanding, end of year .....                                                      | 65          | 84        | 93        |
| <b>Memorandum:</b>                                                                       |             |           |           |
| 2299 Guaranteed amount of guaranteed loans outstanding, end of year .....                | 52          | 67        | 74        |
| <b>Addendum:</b>                                                                         |             |           |           |
| <b>Cumulative balance of defaulted guaranteed loans that result in loans receivable:</b> |             |           |           |
| 2310 Outstanding, start of year .....                                                    |             | 10        | 12        |
| 2331 Disbursements for guaranteed loan claims .....                                      | 3           | 2         | 3         |
| 2351 Repayments of loans receivable .....                                                |             |           |           |
| 2361 Write-offs of loans receivable .....                                                |             |           |           |
| 2364 Other adjustments, net .....                                                        | 7           |           |           |
| 2390 Outstanding, end of year .....                                                      | 10          | 12        | 15        |

Balance Sheet (in millions of dollars)

| Identification code 12-4267-0-3-451                                                             | 2010 actual | 2011 actual |
|-------------------------------------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                                                  |             |             |
| 1101 Federal assets: Fund balances with Treasury .....                                          | 15          | 22          |
| <b>Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:</b> |             |             |
| 1501 Defaulted guaranteed loans receivable, gross .....                                         |             | 10          |
| 1505 Allowance for subsidy cost (-) .....                                                       |             | -3          |
| 1599 Net present value of assets related to defaulted guaranteed loans .....                    |             | 7           |
| 1999 Total assets .....                                                                         | 15          | 29          |
| <b>LIABILITIES:</b>                                                                             |             |             |
| 2103 Federal liabilities: Debt .....                                                            |             | 7           |
| 2204 Non-Federal liabilities: Liability for loan guarantees .....                               | 15          | 22          |
| 2999 Total liabilities .....                                                                    | 15          | 29          |
| 4999 Total liabilities and net position .....                                                   | 15          | 29          |

BIOREFINERY ASSISTANCE PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-3106-0-1-452                           | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                       |             |           |           |
| <b>Credit program obligations:</b>                            |             |           |           |
| 0702 Loan guarantee subsidy .....                             | 89          | 185       |           |
| 0707 Reestimates of loan guarantee subsidy .....              |             | 20        |           |
| 0708 Interest on reestimates of loan guarantee subsidy .....  |             | 1         |           |
| 0900 Total new obligations (object class 41.0) .....          | 89          | 206       |           |
| <b>Budgetary Resources:</b>                                   |             |           |           |
| <b>Unobligated balance:</b>                                   |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....         | 274         | 185       |           |
| <b>Budget authority:</b>                                      |             |           |           |
| <b>Appropriations, mandatory:</b>                             |             |           |           |
| 1200 Appropriation .....                                      |             | 21        |           |
| 1260 Appropriations, mandatory (total) .....                  |             | 21        |           |
| 1900 Budget authority (total) .....                           |             | 21        |           |
| 1930 Total budgetary resources available .....                | 274         | 206       |           |
| <b>Memorandum (non-add) entries:</b>                          |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....         | 185         |           |           |
| <b>Change in obligated balance:</b>                           |             |           |           |
| <b>Obligated balance, start of year (net):</b>                |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) ..... | 19          | 77        | 231       |
| 3030 Obligations incurred, unexpired accounts .....           | 89          | 206       |           |
| 3040 Outlays (gross) .....                                    | -31         | -52       | -60       |

|                                                 |    |     |     |
|-------------------------------------------------|----|-----|-----|
| 3090 Obligated balance, end of year (net):      |    |     |     |
| Unpaid obligations, end of year (gross) .....   | 77 | 231 | 171 |
| 3100 Obligated balance, end of year (net) ..... | 77 | 231 | 171 |

Budget authority and outlays, net:

|                                                 |    |    |    |
|-------------------------------------------------|----|----|----|
| <b>Mandatory:</b>                               |    |    |    |
| 4090 Budget authority, gross .....              |    | 21 |    |
| <b>Outlays, gross:</b>                          |    |    |    |
| 4100 Outlays from new mandatory authority ..... |    | 21 |    |
| 4101 Outlays from mandatory balances .....      | 31 | 31 | 60 |
| 4110 Outlays, gross (total) .....               | 31 | 52 | 60 |
| 4180 Budget authority, net (total) .....        |    | 21 |    |
| 4190 Outlays, net (total) .....                 | 31 | 52 | 60 |

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

| Identification code 12-3106-0-1-452                                    | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Guaranteed loan levels supportable by subsidy budget authority:</b> |             |           |           |
| 215001 Section 9003 Loan Guarantees .....                              | 285         | 691       |           |
| 215999 Total loan guarantee levels .....                               | 285         | 691       |           |
| <b>Guaranteed loan subsidy (in percent):</b>                           |             |           |           |
| 232001 Section 9003 Loan Guarantees .....                              | 31.10       | 26.80     |           |
| 232999 Weighted average subsidy rate .....                             | 31.10       | 26.80     |           |
| <b>Guaranteed loan subsidy budget authority:</b>                       |             |           |           |
| 233001 Section 9003 Loan Guarantees .....                              | 89          | 185       |           |
| 233999 Total subsidy budget authority .....                            | 89          | 185       |           |
| <b>Guaranteed loan subsidy outlays:</b>                                |             |           |           |
| 234001 Section 9003 Loan Guarantees .....                              | 30          | 31        | 60        |
| 234999 Total subsidy outlays .....                                     | 30          | 31        | 60        |
| <b>Guaranteed loan upward reestimates:</b>                             |             |           |           |
| 235001 Section 9003 Loan Guarantees .....                              |             | 20        |           |
| 235999 Total upward reestimate budget authority .....                  |             | 20        |           |

The Biorefinery Assistance Program provides loan guarantees to fund the development, construction, and retrofitting of commercial-scale advanced biorefineries. The 2013 Budget does not request discretionary funding for this program, consistent with the 2012 enacted Level. The Biorefinery Assistance Program is authorized under section 9003 of the Farm Security and Rural Investment Act of 2002, as amended by the Food, Conservation, and Energy Act of 2008.

Balance Sheet (in millions of dollars)

| Identification code 12-3106-0-1-452                                 | 2010 actual | 2011 actual |
|---------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                      |             |             |
| 1101 Federal assets: Fund balances with Treasury .....              | 30          | 99          |
| 1999 Total assets .....                                             | 30          | 99          |
| <b>LIABILITIES:</b>                                                 |             |             |
| 2204 Non-Federal liabilities: Liabilities for loan guarantees ..... | 30          | 99          |
| 4999 Total liabilities and net position .....                       | 30          | 99          |

BIOREFINERY ASSISTANCE GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4355-0-3-452                                 | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                             |             |           |           |
| <b>Credit program obligations:</b>                                  |             |           |           |
| 0711 Default claim payments on principal .....                      |             | 38        | 3         |
| 0713 Payment of interest to Treasury .....                          | 1           | 1         | 1         |
| 0900 Total new obligations .....                                    | 1           | 39        | 4         |
| <b>Budgetary Resources:</b>                                         |             |           |           |
| <b>Unobligated balance:</b>                                         |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....               | 30          | 99        |           |
| 1022 Capital transfer of unobligated balances to general fund ..... |             | -63       |           |
| 1023 Unobligated balances applied to repay debt .....               |             | -36       |           |

|      |                                                                                          |     |     |     |
|------|------------------------------------------------------------------------------------------|-----|-----|-----|
| 1050 | Unobligated balance (total) .....                                                        | 30  |     |     |
|      | Financing authority:                                                                     |     |     |     |
|      | Borrowing authority, mandatory:                                                          |     |     |     |
| 1400 | Borrowing authority .....                                                                | 36  |     |     |
| 1440 | Borrowing authority, mandatory (total) .....                                             | 36  |     |     |
|      | Spending authority from offsetting collections, mandatory:                               |     |     |     |
| 1800 | Collected .....                                                                          | 34  | 54  | 66  |
| 1820 | Capital transfer of spending authority from offsetting collections to general fund ..... |     | -15 | -62 |
| 1850 | Spending auth from offsetting collections, mand (total) .....                            | 34  | 39  | 4   |
| 1900 | Financing authority(total) .....                                                         | 70  | 39  | 4   |
| 1930 | Total budgetary resources available .....                                                | 100 | 39  | 4   |
|      | Memorandum (non-add) entries:                                                            |     |     |     |
| 1941 | Unexpired unobligated balance, end of year .....                                         | 99  |     |     |

|                                     |                                                |    |     |    |
|-------------------------------------|------------------------------------------------|----|-----|----|
| <b>Change in obligated balance:</b> |                                                |    |     |    |
| 3030                                | Obligations incurred, unexpired accounts ..... | 1  | 39  | 4  |
| 3040                                | Financing disbursements (gross) .....          | -1 | -39 | -4 |

|                                                    |                                                                      |     |     |     |
|----------------------------------------------------|----------------------------------------------------------------------|-----|-----|-----|
| <b>Financing authority and disbursements, net:</b> |                                                                      |     |     |     |
| Mandatory:                                         |                                                                      |     |     |     |
| 4090                                               | Financing authority, gross .....                                     | 70  | 39  | 4   |
|                                                    | Financing disbursements:                                             |     |     |     |
| 4110                                               | Financing disbursements, gross .....                                 | 1   | 39  | 4   |
|                                                    | Offsets against gross financing authority and disbursements:         |     |     |     |
|                                                    | Offsetting collections (collected) from:                             |     |     |     |
| 4120                                               | Federal sources .....                                                | -31 | -51 | -60 |
| 4122                                               | Interest on uninvested funds .....                                   | -2  | -1  | -2  |
| 4123                                               | Guaranteed Fees .....                                                | -1  | -2  | -4  |
| 4130                                               | Offsets against gross financing auth and disbursements (total) ..... | -34 | -54 | -66 |
| 4160                                               | Financing authority, net (mandatory) .....                           | 36  | -15 | -62 |
| 4170                                               | Financing disbursements, net (mandatory) .....                       | -33 | -15 | -62 |
| 4180                                               | Financing authority, net (total) .....                               | 36  | -15 | -62 |
| 4190                                               | Financing disbursements, net (total) .....                           | -33 | -15 | -62 |

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

|                                                                                   |                                                                           |             |           |           |
|-----------------------------------------------------------------------------------|---------------------------------------------------------------------------|-------------|-----------|-----------|
| Identification code 12-4355-0-3-452                                               |                                                                           |             |           |           |
|                                                                                   |                                                                           | 2011 actual | 2012 est. | 2013 est. |
| Position with respect to appropriations act limitation on commitments:            |                                                                           |             |           |           |
| 2131                                                                              | Guaranteed loan commitments exempt from limitation .....                  | 285         | 691       |           |
| 2150                                                                              | Total guaranteed loan commitments .....                                   | 285         | 691       |           |
| Cumulative balance of guaranteed loans outstanding:                               |                                                                           |             |           |           |
| 2210                                                                              | Outstanding, start of year .....                                          | 79          | 165       | 230       |
| 2231                                                                              | Disbursements of new guaranteed loans .....                               | 88          | 120       | 220       |
| 2251                                                                              | Repayments and prepayments .....                                          | -2          | -17       | -23       |
| 2263                                                                              | Adjustments: Terminations for default that result in claim payments ..... |             | -38       | -4        |
| 2290                                                                              | Outstanding, end of year .....                                            | 165         | 230       | 423       |
| Memorandum:                                                                       |                                                                           |             |           |           |
| 2299                                                                              | Guaranteed amount of guaranteed loans outstanding, end of year .....      | 63          | 208       | 382       |
| Addendum:                                                                         |                                                                           |             |           |           |
| Cumulative balance of defaulted guaranteed loans that result in loans receivable: |                                                                           |             |           |           |
| 2310                                                                              | Outstanding, start of year .....                                          |             |           | 35        |
| 2331                                                                              | Disbursements for guaranteed loan claims .....                            |             | 35        | 3         |
| 2351                                                                              | Repayments of loans receivable .....                                      |             |           | -1        |
| 2361                                                                              | Write-offs of loans receivable .....                                      |             |           |           |
| 2390                                                                              | Outstanding, end of year .....                                            |             | 35        | 37        |

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from guaranteed loans committed. The amounts in this account are a means of financing and are not included in the budget totals. The subsidy cost of this program is funded through the Biorefinery Assistance Program Account.

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

|                                     |                                                   |             |             |
|-------------------------------------|---------------------------------------------------|-------------|-------------|
| Identification code 12-4355-0-3-452 |                                                   |             |             |
|                                     |                                                   | 2010 actual | 2011 actual |
| ASSETS:                             |                                                   |             |             |
| 1101                                | Federal assets: Fund balances with Treasury ..... | 30          | 99          |

|                          |                                          |    |    |
|--------------------------|------------------------------------------|----|----|
| 1999                     | Total assets .....                       | 30 | 99 |
| LIABILITIES:             |                                          |    |    |
| Non-Federal liabilities: |                                          |    |    |
| 2203                     | Debt .....                               | 30 | 36 |
| 2204                     | Liabilities for loan guarantees .....    |    | 63 |
| 2999                     | Total liabilities .....                  | 30 | 99 |
| 4999                     | Total liabilities and net position ..... | 30 | 99 |

**ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION CORPORATION REVOLVING FUND**

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

|                                     |                                                  |             |           |           |
|-------------------------------------|--------------------------------------------------|-------------|-----------|-----------|
| Identification code 12-4144-0-3-352 |                                                  |             |           |           |
|                                     |                                                  | 2011 actual | 2012 est. | 2013 est. |
| <b>Budgetary Resources:</b>         |                                                  |             |           |           |
| Unobligated balance:                |                                                  |             |           |           |
| 1000                                | Unobligated balance brought forward, Oct 1 ..... | 1           | 1         | 1         |
| 1930                                | Total budgetary resources available .....        | 1           | 1         | 1         |
| Memorandum (non-add) entries:       |                                                  |             |           |           |
| 1941                                | Unexpired unobligated balance, end of year ..... | 1           | 1         | 1         |

**RURAL UTILITIES SERVICE**

**Federal Funds**

**HIGH ENERGY COST GRANTS**

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

|                                           |                                                          |             |           |           |
|-------------------------------------------|----------------------------------------------------------|-------------|-----------|-----------|
| Identification code 12-2042-0-1-452       |                                                          |             |           |           |
|                                           |                                                          | 2011 actual | 2012 est. | 2013 est. |
| <b>Obligations by program activity:</b>   |                                                          |             |           |           |
| 0001                                      | High energy cost grants .....                            | 7           | 32        |           |
| 0900                                      | Total new obligations (object class 41.0) .....          | 7           | 32        |           |
| <b>Budgetary Resources:</b>               |                                                          |             |           |           |
| Unobligated balance:                      |                                                          |             |           |           |
| 1000                                      | Unobligated balance brought forward, Oct 1 .....         | 17          | 22        |           |
| Budget authority:                         |                                                          |             |           |           |
| Appropriations, discretionary:            |                                                          |             |           |           |
| 1121                                      | Transferred from other accounts [12-1980] .....          | 12          | 10        |           |
| 1160                                      | Appropriation, discretionary (total) .....               | 12          | 10        |           |
| 1930                                      | Total budgetary resources available .....                | 29          | 32        |           |
| Memorandum (non-add) entries:             |                                                          |             |           |           |
| 1941                                      | Unexpired unobligated balance, end of year .....         | 22          |           |           |
| <b>Change in obligated balance:</b>       |                                                          |             |           |           |
| Obligated balance, start of year (net):   |                                                          |             |           |           |
| 3000                                      | Unpaid obligations, brought forward, Oct 1 (gross) ..... | 19          | 13        | 13        |
| 3030                                      | Obligations incurred, unexpired accounts .....           | 7           | 32        |           |
| 3040                                      | Outlays (gross) .....                                    | -13         | -32       | -8        |
| Obligated balance, end of year (net):     |                                                          |             |           |           |
| 3090                                      | Unpaid obligations, end of year (gross) .....            | 13          | 13        | 5         |
| 3100                                      | Obligated balance, end of year (net) .....               | 13          | 13        | 5         |
| <b>Budget authority and outlays, net:</b> |                                                          |             |           |           |
| Discretionary:                            |                                                          |             |           |           |
| 4000                                      | Budget authority, gross .....                            | 12          | 10        |           |
| Outlays, gross:                           |                                                          |             |           |           |
| 4010                                      | Outlays from new discretionary authority .....           |             | 7         |           |
| 4011                                      | Outlays from discretionary balances .....                | 13          | 25        | 8         |
| 4020                                      | Outlays, gross (total) .....                             | 13          | 32        | 8         |
| 4180                                      | Budget authority, net (total) .....                      | 12          | 10        |           |
| 4190                                      | Outlays, net (total) .....                               | 13          | 32        | 8         |

Funding has been provided since 2001 to support grants for areas that have high energy costs. These grants can be made to eligible entities or the Denali Commission to construct, extend, upgrade, and otherwise improve energy generation, transmission, or distribution facilities serving communities in which the average residential expenditure for home energy is at least 275 percent

HIGH ENERGY COST GRANTS—Continued

of the national average residential expenditure for home energy (as determined by the Energy Information Agency using the most recent data available). Grants are also available to establish and support a revolving fund to provide a more cost-effective means of purchasing fuel where the fuel cannot be shipped by means of surface transportation. The Budget proposes no funding in 2013 for these grants.

RURAL WATER AND WASTE DISPOSAL PROGRAM ACCOUNT  
(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, loan guarantees, and grants for the rural water, waste water, waste disposal, and solid waste management programs authorized by sections 306, 306A, 306C, 306D, 306E, and 310B and described in sections 306C(a)(2), 306D, 306E, and 381E(d)(2) of the Consolidated Farm and Rural Development Act, \$513,000,000 \$495,700,000, to remain available until expended, of which not to exceed \$497,000 shall be available for the rural utilities program described in section 306(a)(2)(B) of such Act, and of which not to exceed \$993,000 shall be available for the rural utilities program described in section 306E of such Act: *Provided*, That \$66,500,000 not to exceed 12 percent of the amount appropriated under this heading shall be for loans and grants including water and waste disposal systems grants authorized by 306C(a)(2)(B) and 306D of the Consolidated Farm and Rural Development Act, Federally recognized Native American Tribes authorized by 306C(a)(1), and the Department of Hawaiian Home Lands (of the State of Hawaii): *Provided further*, That funding provided for section 306D of the Consolidated Farm and Rural Development Act may be provided to a consortium formed pursuant to section 325 of Public Law 105-83: *Provided further*, That not more than 2 percent of the funding provided for section 306D of the Consolidated Farm and Rural Development Act may be used by the State of Alaska for training and technical assistance programs and not more than 2 percent of the funding provided for section 306D of the Consolidated Farm and Rural Development Act may be used by a consortium formed pursuant to section 325 of Public Law 105-83 for training and technical assistance programs: *Provided further*, That not to exceed \$19,000,000 3 percent of the amount appropriated under this heading shall be for technical assistance grants for rural water and waste systems pursuant to section 306(a)(14) of such Act, unless the Secretary makes a determination of extreme need, of which \$5,750,000 not more than 30 percent shall be made available for a grant to a qualified non-profit multi-state regional technical assistance organization, with experience in working with small communities on water and waste water problems, the principal purpose of such grant shall be to assist rural communities with populations of 3,300 or less, in improving the planning, financing, development, operation, and management of water and waste water systems, and of which not less more than \$800,000 4 percent shall be for a qualified national Native American organization to provide technical assistance for rural water systems for tribal communities: *Provided further*, That not to exceed \$15,000,000 2.5 percent of the amount appropriated under this heading shall be for contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: *Provided further*, That not to exceed \$3,400,000 \$4,000,000 shall be for solid waste management grants: *Provided further*, That of the amount appropriated under this heading, the amount equal to the amount of Rural Water and Waste Disposal Program Account funds allocated by the Secretary for Rural Economic Area Partnership Zones for the fiscal year 2011, shall be available through June 30, 2012, for communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones for the rural utilities programs described in section 381E(d)(2) of the Consolidated Farm and Rural Development Act: *Provided further*, That \$9,500,000 of the amount appropriated under this heading shall be transferred to, and merged with, the Rural Utilities Service, High Energy Cost Grants Account to provide grants authorized under section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 918a): *Provided further*, That any prior year balances for high energy cost grants authorized by section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 918a) shall be transferred to and merged with the Rural Utilities Service, High En-

ergy Cost Grants Account: *Provided further*, That sections 381E-H and 381N of the Consolidated Farm and Rural Development Act are not applicable to the funds made available under this heading. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-1980-0-1-452                         | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                     |             |           |           |
| 0010 Water and waste disposal systems grants                | 511         | 494       | 451       |
| 0012 Solid waste management grants                          | 3           | 3         | 4         |
| 0013 Emergency Community Water Assistance Grants            | 1           | 12        |           |
| 0091 Direct program activities, subtotal                    | 515         | 509       | 455       |
| <b>Credit program obligations:</b>                          |             |           |           |
| 0701 Direct loan subsidy                                    | 86          | 81        | 90        |
| 0702 Loan guarantee subsidy                                 |             | 1         |           |
| 0705 Reestimates of direct loan subsidy                     | 28          | 14        |           |
| 0706 Interest on reestimates of direct loan subsidy         | 19          | 2         |           |
| 0791 Direct program activities, subtotal                    | 133         | 98        | 90        |
| 0900 Total new obligations (object class 41.0)              | 648         | 607       | 545       |
| <b>Budgetary Resources:</b>                                 |             |           |           |
| <b>Unobligated balance:</b>                                 |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1             | 135         | 92        | 49        |
| 1020 Adjustment of unobligated bal brought forward, Oct 1   | -20         |           |           |
| 1021 Recoveries of prior year unpaid obligations            | 62          | 46        |           |
| 1050 Unobligated balance (total)                            | 177         | 138       | 49        |
| <b>Budget authority:</b>                                    |             |           |           |
| <b>Appropriations, discretionary:</b>                       |             |           |           |
| 1100 Appropriation                                          | 529         | 513       | 496       |
| 1120 Transferred to other accounts [12-2042]                | -12         | -10       |           |
| 1130 Appropriations permanently reduced                     | -1          |           |           |
| 1160 Appropriation, discretionary (total)                   | 516         | 503       | 496       |
| <b>Appropriations, mandatory:</b>                           |             |           |           |
| 1200 Appropriation                                          | 47          | 15        |           |
| 1260 Appropriations, mandatory (total)                      | 47          | 15        |           |
| 1900 Budget authority (total)                               | 563         | 518       | 496       |
| 1930 Total budgetary resources available                    | 740         | 656       | 545       |
| <b>Memorandum (non-add) entries:</b>                        |             |           |           |
| 1941 Unexpired unobligated balance, end of year             | 92          | 49        |           |
| <b>Change in obligated balance:</b>                         |             |           |           |
| <b>Obligated balance, start of year (net):</b>              |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross)     | 3,380       | 3,084     | 2,753     |
| 3030 Obligations incurred, unexpired accounts               | 648         | 607       | 545       |
| 3040 Outlays (gross)                                        | -858        | -892      | -1,054    |
| 3080 Recoveries of prior year unpaid obligations, unexpired | -62         | -46       |           |
| 3081 Recoveries of prior year unpaid obligations, expired   | -24         |           |           |
| <b>Obligated balance, end of year (net):</b>                |             |           |           |
| 3090 Unpaid obligations, end of year (gross)                | 3,084       | 2,753     | 2,244     |
| 3100 Obligated balance, end of year (net)                   | 3,084       | 2,753     | 2,244     |
| <b>Budget authority and outlays, net:</b>                   |             |           |           |
| <b>Discretionary:</b>                                       |             |           |           |
| 4000 Budget authority, gross                                | 516         | 503       | 496       |
| <b>Outlays, gross:</b>                                      |             |           |           |
| 4010 Outlays from new discretionary authority               | 15          | 21        | 19        |
| 4011 Outlays from discretionary balances                    | 770         | 841       | 1,027     |
| 4020 Outlays, gross (total)                                 | 785         | 862       | 1,046     |
| <b>Mandatory:</b>                                           |             |           |           |
| 4090 Budget authority, gross                                | 47          | 15        |           |
| <b>Outlays, gross:</b>                                      |             |           |           |
| 4100 Outlays from new mandatory authority                   | 47          | 15        |           |
| 4101 Outlays from mandatory balances                        | 26          | 15        | 8         |
| 4110 Outlays, gross (total)                                 | 73          | 30        | 8         |
| 4180 Budget authority, net (total)                          | 563         | 518       | 496       |
| 4190 Outlays, net (total)                                   | 858         | 892       | 1,054     |

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

| Identification code 12-1980-0-1-452                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct loan levels supportable by subsidy budget authority:</b> |             |           |           |
| 115001 Water and Waste Disposal Loans                              | 1,001       | 847       | 1,121     |
| 115999 Total direct loan levels                                    | 1,001       | 847       | 1,121     |



|                                                                 |                                                             |       |      |      |
|-----------------------------------------------------------------|-------------------------------------------------------------|-------|------|------|
| Direct loan subsidy (in percent):                               |                                                             |       |      |      |
| 132001                                                          | Water and Waste Disposal Loans .....                        | 8.58  | 9.58 | 8.07 |
| 132002                                                          | Water and Waste Disposal Emergency Supplemental Loans ..... | 8.58  | 0.00 | 0.00 |
| 132999                                                          | Weighted average subsidy rate .....                         | 8.58  | 9.58 | 8.07 |
| Direct loan subsidy budget authority:                           |                                                             |       |      |      |
| 133001                                                          | Water and Waste Disposal Loans .....                        | 86    | 81   | 90   |
| 133999                                                          | Total subsidy budget authority .....                        | 86    | 81   | 90   |
| Direct loan subsidy outlays:                                    |                                                             |       |      |      |
| 134001                                                          | Water and Waste Disposal Loans .....                        | 88    | 89   | 95   |
| 134002                                                          | Water and Waste Disposal Emergency Supplemental Loans ..... |       | 1    | 1    |
| 134003                                                          | Water and Waste Disposal Loans - ARRA .....                 | 49    | 73   | 50   |
| 134999                                                          | Total subsidy outlays .....                                 | 137   | 163  | 146  |
| Direct loan upward reestimates:                                 |                                                             |       |      |      |
| 135001                                                          | Water and Waste Disposal Loans .....                        | 46    | 15   |      |
| 135999                                                          | Total upward reestimate budget authority .....              | 46    | 15   |      |
| Direct loan downward reestimates:                               |                                                             |       |      |      |
| 137001                                                          | Water and Waste Disposal Loans .....                        | -96   | -126 |      |
| 137999                                                          | Total downward reestimate budget authority .....            | -96   | -126 |      |
| Guaranteed loan levels supportable by subsidy budget authority: |                                                             |       |      |      |
| 215001                                                          | Water and Waste Disposal Loan Guarantees .....              | 32    | 31   | 47   |
| 215999                                                          | Total loan guarantee levels .....                           | 32    | 31   | 47   |
| Guaranteed loan subsidy (in percent):                           |                                                             |       |      |      |
| 232001                                                          | Water and Waste Disposal Loan Guarantees .....              | -0.85 | 1.59 | 1.06 |
| 232999                                                          | Weighted average subsidy rate .....                         | -0.85 | 1.59 | 0.00 |
| Guaranteed loan subsidy budget authority:                       |                                                             |       |      |      |
| 233001                                                          | Water and Waste Disposal Loan Guarantees .....              |       | 1    |      |
| 233999                                                          | Total subsidy budget authority .....                        |       | 1    |      |

This account funds the direct and guaranteed water and waste disposal loans, water and waste disposal grants, emergency community water assistance grants, and solid waste management grants.

Water and waste disposal loans are authorized under 7 U.S.C. 1926. The program provides direct loans to municipalities, counties, special purpose districts, certain Indian Tribes, and non-profit corporations to develop water and waste disposal systems in rural areas and towns with populations of less than 10,000. The program also guarantees water and waste disposal loans made by banks and other eligible lenders. In 2013 the projected loan level is \$1 billion for direct loans. No guaranteed loans are proposed for 2013 due to the increase in cost for this program coupled with the low demand for these funds.

Water and waste disposal grants are authorized under Section 306(a)(2) of the Consolidated Farm and Rural Development Act, as amended. Grants are authorized to be made to associations, including nonprofit corporations, municipalities, counties, public and quasi-public agencies, and certain Indian tribes. The grants can be used to finance development, storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas and cities or towns with populations of less than 10,000. The amount of any development grant may not exceed 75 percent of the eligible development cost of the project. In 2013, \$411 million is requested for this program.

Emergency community water assistance grants are authorized under Section 306A of the Consolidated Farm and Rural Development Act, as amended. Grants are made to public bodies and nonprofit organizations for construction or extension of water lines, repair or maintenance of existing systems, replacement of equipment, and payment of costs to correct emergency situations. These grants are funded on an as needed basis using flexibility of funds authority. The 2013 Budget assumes no funding for these grants.

Solid waste management grants are authorized under Section 310B(b) of the Consolidated Farm and Rural Development Act, as amended. Grants are made to non-profit organizations to provide regional technical assistance to local and regional governments and related agencies for the purpose of reducing or elimin-

ating pollution of water resources, and for improving the planning and management of solid waste disposal facilities. In 2013 \$4 million is requested for this program.

RURAL WATER AND WASTE DISPOSAL DIRECT LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4226-0-3-452                          | 2011 actual                                                                | 2012 est. | 2013 est. |        |
|--------------------------------------------------------------|----------------------------------------------------------------------------|-----------|-----------|--------|
| <b>Obligations by program activity:</b>                      |                                                                            |           |           |        |
| Credit program obligations:                                  |                                                                            |           |           |        |
| 0710                                                         | Direct loan obligations .....                                              | 1,001     | 847       | 1,121  |
| 0713                                                         | Payment of interest to Treasury .....                                      | 530       | 564       | 599    |
| 0742                                                         | Downward reestimate paid to receipt account .....                          | 79        | 98        |        |
| 0743                                                         | Interest on downward reestimates .....                                     | 17        | 28        |        |
| 0900                                                         | Total new obligations .....                                                | 1,627     | 1,537     | 1,720  |
| <b>Budgetary Resources:</b>                                  |                                                                            |           |           |        |
| Unobligated balance:                                         |                                                                            |           |           |        |
| 1000                                                         | Unobligated balance brought forward, Oct 1 .....                           | 131       | 60        |        |
| 1021                                                         | Recoveries of prior year unpaid obligations .....                          | 165       |           |        |
| 1023                                                         | Unobligated balances applied to repay debt .....                           | -142      | -60       |        |
| 1024                                                         | Unobligated balance of borrowing authority withdrawn .....                 | -154      |           |        |
| Financing authority:                                         |                                                                            |           |           |        |
| Borrowing authority, mandatory:                              |                                                                            |           |           |        |
| 1400                                                         | Borrowing authority .....                                                  | 1,011     | 836       | 1,126  |
| 1440                                                         | Borrowing authority, mandatory (total) .....                               | 1,011     | 836       | 1,126  |
| Spending authority from offsetting collections, mandatory:   |                                                                            |           |           |        |
| 1800                                                         | Collected .....                                                            | 999       | 1,028     | 894    |
| 1801                                                         | Change in uncollected payments, Federal sources .....                      | -70       | -82       | -55    |
| 1825                                                         | Spending authority from offsetting collections applied to repay debt ..... | -253      | -245      | -245   |
| 1850                                                         | Spending auth from offsetting collections, mand (total) .....              | 676       | 701       | 594    |
| 1900                                                         | Financing authority (total) .....                                          | 1,687     | 1,537     | 1,720  |
| 1930                                                         | Total budgetary resources available .....                                  | 1,687     | 1,537     | 1,720  |
| Memorandum (non-add) entries:                                |                                                                            |           |           |        |
| 1941                                                         | Unexpired unobligated balance, end of year .....                           | 60        |           |        |
| <b>Change in obligated balance:</b>                          |                                                                            |           |           |        |
| Obligated balance, start of year (net):                      |                                                                            |           |           |        |
| 3000                                                         | Unpaid obligations, brought forward, Oct 1 (gross) .....                   | 4,825     | 4,349     | 3,653  |
| 3010                                                         | Uncollected pymts, Fed sources, brought forward, Oct 1 .....               | -481      | -411      | -329   |
| 3020                                                         | Obligated balance, start of year (net) .....                               | 4,344     | 3,938     | 3,324  |
| 3030                                                         | Obligations incurred, unexpired accounts .....                             | 1,627     | 1,537     | 1,720  |
| 3040                                                         | Financing disbursements (gross) .....                                      | -1,938    | -2,233    | -2,141 |
| 3050                                                         | Change in uncollected pymts, Fed sources, unexpired .....                  | 70        | 82        | 55     |
| 3080                                                         | Recoveries of prior year unpaid obligations, unexpired .....               | -165      |           |        |
| Obligated balance, end of year (net):                        |                                                                            |           |           |        |
| 3090                                                         | Unpaid obligations, end of year (gross) .....                              | 4,349     | 3,653     | 3,232  |
| 3091                                                         | Uncollected pymts, Fed sources, end of year .....                          | -411      | -329      | -274   |
| 3100                                                         | Obligated balance, end of year (net) .....                                 | 3,938     | 3,324     | 2,958  |
| <b>Financing authority and disbursements, net:</b>           |                                                                            |           |           |        |
| Mandatory:                                                   |                                                                            |           |           |        |
| 4090                                                         | Financing authority, gross .....                                           | 1,687     | 1,537     | 1,720  |
| Financing disbursements:                                     |                                                                            |           |           |        |
| 4110                                                         | Financing disbursements, gross .....                                       | 1,938     | 2,233     | 2,141  |
| Offsets against gross financing authority and disbursements: |                                                                            |           |           |        |
| Offsetting collections (collected) from:                     |                                                                            |           |           |        |
| 4120                                                         | Federal sources .....                                                      | -184      | -178      | -146   |
| 4122                                                         | Interest on uninvested funds .....                                         | -48       | -68       | -60    |
| 4123                                                         | Repayment of principal .....                                               | -329      | -343      | -302   |
| 4123                                                         | Interest Received on Loans .....                                           | -438      | -439      | -386   |
| 4130                                                         | Offsets against gross financing auth and disbursements (total) .....       | -999      | -1,028    | -894   |
| Additional offsets against financing authority only (total): |                                                                            |           |           |        |
| 4140                                                         | Change in uncollected pymts, Fed sources, unexpired .....                  | 70        | 82        | 55     |
| 4160                                                         | Financing authority, net (mandatory) .....                                 | 758       | 591       | 881    |
| 4170                                                         | Financing disbursements, net (mandatory) .....                             | 939       | 1,205     | 1,247  |
| 4180                                                         | Financing authority, net (total) .....                                     | 758       | 591       | 881    |
| 4190                                                         | Financing disbursements, net (total) .....                                 | 939       | 1,205     | 1,247  |

RURAL WATER AND WASTE DISPOSAL DIRECT LOANS FINANCING  
ACCOUNT—Continued

Status of Direct Loans (in millions of dollars)

| Identification code 12-4226-0-3-452                                    | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|-------------|-----------|-----------|
| Position with respect to appropriations act limitation on obligations: |             |           |           |
| 1131 Direct loan obligations exempt from limitation .....              | 1,001       | 847       | 1,121     |
| 1150 Total direct loan obligations .....                               | 1,001       | 847       | 1,121     |
| Cumulative balance of direct loans outstanding:                        |             |           |           |
| 1210 Outstanding, start of year .....                                  | 9,889       | 10,871    | 12,070    |
| 1231 Disbursements: Direct loan disbursements .....                    | 1,305       | 1,542     | 1,542     |
| 1251 Repayments: Repayments and prepayments .....                      | -323        | -343      | -302      |
| 1261 Adjustments: Capitalized interest .....                           | 1           |           |           |
| 1263 Write-offs for default: Direct loans .....                        | -1          |           |           |
| 1290 Outstanding, end of year .....                                    | 10,871      | 12,070    | 13,310    |

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. The subsidy cost of these loans is provided through the Rural Water and Waste Disposal Program Account. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

Balance Sheet (in millions of dollars)

| Identification code 12-4226-0-3-452                               | 2010 actual | 2011 actual |
|-------------------------------------------------------------------|-------------|-------------|
| ASSETS:                                                           |             |             |
| Federal assets:                                                   |             |             |
| 1101 Fund balances with Treasury .....                            | 217         | 176         |
| Investments in US securities:                                     |             |             |
| 1106 Receivables, net .....                                       | 46          | 15          |
| Net value of assets related to post-1991 direct loans receivable: |             |             |
| 1401 Direct loans receivable, gross .....                         | 9,889       | 10,871      |
| 1402 Interest receivable .....                                    | 98          | 109         |
| 1405 Allowance for subsidy cost (-) .....                         | -741        | -735        |
| 1499 Net present value of assets related to direct loans .....    | 9,246       | 10,245      |
| 1999 Total assets .....                                           | 9,509       | 10,436      |
| LIABILITIES:                                                      |             |             |
| Federal liabilities:                                              |             |             |
| 2103 Debt .....                                                   | 9,413       | 10,310      |
| 2105 Other .....                                                  | 96          | 126         |
| 2999 Total liabilities .....                                      | 9,509       | 10,436      |
| 4999 Total liabilities and net position .....                     | 9,509       | 10,436      |

RURAL WATER AND WASTE WATER DISPOSAL GUARANTEED LOANS FINANCING  
ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4218-0-3-452                   | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------|-------------|-----------|-----------|
| Budgetary Resources:                                  |             |           |           |
| Unobligated balance:                                  |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 ..... | 1           | 1         |           |
| 1023 Unobligated balances applied to repay debt ..... | -1          | -1        |           |
| Financing authority:                                  |             |           |           |
| Borrowing authority, mandatory:                       |             |           |           |
| 1400 Borrowing authority .....                        | 1           |           |           |
| 1440 Borrowing authority, mandatory (total) .....     | 1           |           |           |
| 1930 Total budgetary resources available .....        | 1           |           |           |
| Memorandum (non-add) entries:                         |             |           |           |
| 1941 Unexpired unobligated balance, end of year ..... | 1           |           |           |
| Financing authority and disbursements, net:           |             |           |           |
| Mandatory:                                            |             |           |           |
| 4090 Financing authority, gross .....                 | 1           |           |           |
| 4180 Financing authority, net (total) .....           | 1           |           |           |

Status of Guaranteed Loans (in millions of dollars)

| Identification code 12-4218-0-3-452                                       | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------|-------------|-----------|-----------|
| Position with respect to appropriations act limitation on commitments:    |             |           |           |
| 2131 Guaranteed loan commitments exempt from limitation .....             | 32          | 31        | 47        |
| 2150 Total guaranteed loan commitments .....                              | 32          | 31        | 47        |
| 2199 Guaranteed amount of guaranteed loan commitments .....               | 29          | 18        | 47        |
| Cumulative balance of guaranteed loans outstanding:                       |             |           |           |
| 2210 Outstanding, start of year .....                                     | 64          | 62        | 66        |
| 2231 Disbursements of new guaranteed loans .....                          | 3           | 12        | 18        |
| 2251 Repayments and prepayments .....                                     | -5          | -8        | -9        |
| 2290 Outstanding, end of year .....                                       | 62          | 66        | 75        |
| Memorandum:                                                               |             |           |           |
| 2299 Guaranteed amount of guaranteed loans outstanding, end of year ..... | 50          | 53        | 61        |

This account finances loan guarantee commitments for water systems and waste disposal facilities in rural areas.

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from guaranteed loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

Balance Sheet (in millions of dollars)

| Identification code 12-4218-0-3-452                           | 2010 actual | 2011 actual |
|---------------------------------------------------------------|-------------|-------------|
| ASSETS:                                                       |             |             |
| 1101 Federal assets: Fund balances with Treasury .....        | 1           |             |
| 1999 Total assets .....                                       | 1           |             |
| LIABILITIES:                                                  |             |             |
| 2104 Federal liabilities: Resources payable to Treasury ..... | 1           |             |
| 4999 Total liabilities and net position .....                 | 1           |             |

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM  
ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

The principal amount of direct [and guaranteed] rural electric loans [as authorized by sections 305 and 306] made under section 4 of the Rural Electrification Act of 1936 (7 U.S.C. [935 and 936] 904) shall be [made as follows: 5 percent rural electrification loans, \$100,000,000; loans made pursuant to section 306 of that Act, rural electric, \$6,500,000,000; guaranteed underwriting loans pursuant to section 313A, \$424,286,000; 5 percent rural telecommunications loans, \$145,000,000; cost of money rural telecommunications loans, \$250,000,000; and for loans made pursuant to section 306 of that Act, rural telecommunications loans, \$295,000,000] \$6,100,000,000, and the principal amount of rural telecommunications loans made under section 305 of such Act (7 U.S.C. 935) shall be \$690,000,000: Provided, That [up to \$2,000,000,000] not less than \$4,000,000,000 shall be used for the construction, acquisition, or improvement of renewable energy plants or for construction, acquisition or improvement of fossil-fueled electric generating plants (whether new or existing) that utilize carbon sequestration systems: Provided further, That funding may be made available for fossil-fuel electric generating peaking units (new or existing) to the extent that the peaking unit operates in conjunction with an electric generating plant that produces electricity from solar, wind, or other intermittent sources of energy: Provided further, That not more than \$2,000,000,000 shall be available for environmental improvements to fossil-fuel electric generating plants that would reduce emission of air pollution including greenhouse gases.

[For the cost of guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as

follows: \$594,000 for guaranteed underwriting loans authorized by section 313A of the Rural Electrification Act of 1936 (7 U.S.C. 940c-1).】

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, 【\$36,382,000】 \$34,467,000, which shall be 【transferred to and merged with】 paid to the appropriation for "Rural Development, Salaries and Expenses". (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

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

| Identification code 12-1230-0-1-271                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                         |             |           |           |
| Credit program obligations:                                     |             |           |           |
| 0701 Direct loan subsidy .....                                  | 1           | 1         | .....     |
| 0705 Reestimates of direct loan subsidy .....                   | 327         | 239       | .....     |
| 0706 Interest on reestimates of direct loan subsidy .....       | 28          | 100       | .....     |
| 0709 Administrative expenses .....                              | 38          | 36        | 34        |
| 0900 Total new obligations .....                                | 394         | 376       | 34        |
| <b>Budgetary Resources:</b>                                     |             |           |           |
| Unobligated balance:                                            |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....           | 8           | .....     | .....     |
| 1020 Adjustment of unobligated bal brought forward, Oct 1 ..... | -8          | .....     | .....     |
| Budget authority:                                               |             |           |           |
| Appropriations, discretionary:                                  |             |           |           |
| 1100 Appropriation .....                                        | 39          | 37        | 34        |
| 1160 Appropriation, discretionary (total) .....                 | 39          | 37        | 34        |
| Appropriations, mandatory:                                      |             |           |           |
| 1200 Appropriation .....                                        | 355         | 339       | .....     |
| 1260 Appropriations, mandatory (total) .....                    | 355         | 339       | .....     |
| 1900 Budget authority (total) .....                             | 394         | 376       | 34        |
| 1930 Total budgetary resources available .....                  | 394         | 376       | 34        |
| <b>Change in obligated balance:</b>                             |             |           |           |
| Obligated balance, start of year (net):                         |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....   | 12          | 9         | 7         |
| 3030 Obligations incurred, unexpired accounts .....             | 394         | 376       | 34        |
| 3040 Outlays (gross) .....                                      | -395        | -378      | -37       |
| 3081 Recoveries of prior year unpaid obligations, expired ..... | -2          | .....     | .....     |
| Obligated balance, end of year (net):                           |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....              | 9           | 7         | 4         |
| 3100 Obligated balance, end of year (net) .....                 | 9           | 7         | 4         |
| <b>Budget authority and outlays, net:</b>                       |             |           |           |
| Discretionary:                                                  |             |           |           |
| 4000 Budget authority, gross .....                              | 39          | 37        | 34        |
| Outlays, gross:                                                 |             |           |           |
| 4010 Outlays from new discretionary authority .....             | 38          | 37        | 34        |
| 4011 Outlays from discretionary balances .....                  | 2           | 2         | 3         |
| 4020 Outlays, gross (total) .....                               | 40          | 39        | 37        |
| Mandatory:                                                      |             |           |           |
| 4090 Budget authority, gross .....                              | 355         | 339       | .....     |
| Outlays, gross:                                                 |             |           |           |
| 4100 Outlays from new mandatory authority .....                 | 355         | 339       | .....     |
| 4180 Budget authority, net (total) .....                        | 394         | 376       | 34        |
| 4190 Outlays, net (total) .....                                 | 395         | 378       | 37        |

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

| Identification code 12-1230-0-1-271                         | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------|-------------|-----------|-----------|
| Direct loan levels supportable by subsidy budget authority: |             |           |           |
| 115001 Electric Hardship Loans .....                        | 40          | 100       | .....     |
| 115004 FFB Electric Loans .....                             | 4,233       | 6,500     | .....     |
| 115005 Telecommunication Hardship Loans .....               | 32          | 145       | .....     |
| 115006 Treasury Telecommunications Loans .....              | 363         | 250       | 690       |
| 115007 FFB Telecommunications Loans .....                   | 295         | 295       | .....     |
| 115008 FFB Guaranteed Underwriting .....                    | 499         | 424       | .....     |
| 115009 Electric Treasury Plus .....                         | .....       | .....     | 6,100     |
| 115999 Total direct loan levels .....                       | 5,462       | 7,714     | 6,790     |
| Direct loan subsidy (in percent):                           |             |           |           |
| 132001 Electric Hardship Loans .....                        | -7.38       | -14.40    | .....     |
| 132002 Municipal Electric Loans .....                       | 0.00        | 1.12      | 0.00      |
| 132004 FFB Electric Loans .....                             | -4.43       | -4.00     | .....     |
| 132005 Telecommunication Hardship Loans .....               | -7.37       | -13.78    | .....     |
| 132006 Treasury Telecommunications Loans .....              | -0.32       | -1.19     | -1.14     |
| 132007 FFB Telecommunications Loans .....                   | -4.65       | -3.64     | .....     |
| 132008 FFB Guaranteed Underwriting .....                    | 0.14        | -6.32     | .....     |

|                                                         |       |       |       |
|---------------------------------------------------------|-------|-------|-------|
| 132009 Electric Treasury Plus .....                     | ..... | ..... | -6.05 |
| 132999 Weighted average subsidy rate .....              | -3.79 | -4.34 | -5.55 |
| Direct loan subsidy budget authority:                   |       |       |       |
| 133001 Electric Hardship Loans .....                    | -3    | -14   | ..... |
| 133004 FFB Electric Loans .....                         | -188  | -260  | ..... |
| 133005 Telecommunication Hardship Loans .....           | -2    | -20   | ..... |
| 133006 Treasury Telecommunications Loans .....          | -1    | -3    | -8    |
| 133007 FFB Telecommunications Loans .....               | -14   | -11   | ..... |
| 133008 FFB Guaranteed Underwriting .....                | 1     | -27   | ..... |
| 133009 Electric Treasury Plus .....                     | ..... | ..... | -369  |
| 133999 Total subsidy budget authority .....             | -207  | -335  | -377  |
| Direct loan subsidy outlays:                            |       |       |       |
| 134001 Electric Hardship Loans .....                    | -1    | -4    | -11   |
| 134004 FFB Electric Loans .....                         | -60   | -93   | -129  |
| 134005 Telecommunication Hardship Loans .....           | -4    | -4    | -7    |
| 134006 Treasury Telecommunications Loans .....          | 1     | -1    | ..... |
| 134007 FFB Telecommunications Loans .....               | -1    | -4    | -6    |
| 134008 FFB Guaranteed Underwriting .....                | -3    | -10   | -7    |
| 134009 Electric Treasury Plus .....                     | ..... | ..... | -20   |
| 134999 Total subsidy outlays .....                      | -68   | -116  | -180  |
| Direct loan upward reestimates:                         |       |       |       |
| 135001 Electric Hardship Loans .....                    | 1     | 5     | ..... |
| 135002 Municipal Electric Loans .....                   | 4     | 3     | ..... |
| 135003 Treasury Electric Loans .....                    | 4     | 4     | ..... |
| 135004 FFB Electric Loans .....                         | 305   | 215   | ..... |
| 135005 Telecommunication Hardship Loans .....           | 3     | 3     | ..... |
| 135006 Treasury Telecommunications Loans .....          | 9     | 4     | ..... |
| 135007 FFB Telecommunications Loans .....               | 12    | 18    | ..... |
| 135008 FFB Guaranteed Underwriting .....                | 7     | 76    | ..... |
| 135011 Electric Loan Modifications .....                | 11    | 12    | ..... |
| 135999 Total upward reestimate budget authority .....   | 356   | 340   | ..... |
| Direct loan downward reestimates:                       |       |       |       |
| 137001 Electric Hardship Loans .....                    | -40   | -65   | ..... |
| 137002 Municipal Electric Loans .....                   | -10   | -8    | ..... |
| 137003 Treasury Electric Loans .....                    | -23   | -9    | ..... |
| 137004 FFB Electric Loans .....                         | -134  | -323  | ..... |
| 137005 Telecommunication Hardship Loans .....           | -8    | -8    | ..... |
| 137006 Treasury Telecommunications Loans .....          | -8    | -16   | ..... |
| 137007 FFB Telecommunications Loans .....               | -19   | -9    | ..... |
| 137008 FFB Guaranteed Underwriting .....                | -70   | -67   | ..... |
| 137011 Electric Loan Modifications .....                | -1    | -1    | ..... |
| 137999 Total downward reestimate budget authority ..... | -313  | -506  | ..... |
| Guaranteed loan downward reestimates:                   |       |       |       |
| Administrative expense data:                            |       |       |       |
| 3510 Budget authority .....                             | 38    | 36    | 34    |
| 3590 Outlays from new authority .....                   | 38    | 36    | 34    |

The Rural Utilities Service (RUS) conducts the rural electrification and the rural telecommunications loan programs. The rural electrification loan program finances the operation of generating plants, electric transmission, and distribution lines or systems. The Budget proposes to implement the 2008 Farm Bill direct electric loan authority under section 4 of the Rural Electrification Act in lieu of section 305 direct hardship loans and section 306 loan guarantees from the Federal Financing Bank (FFB). The new program will operate under the same terms and conditions as the FFB program. The rural telecommunications loan program provides funding for construction, expansion, and operation of telecommunications lines and facilities or systems. The Budget requests \$690 million in 2013 for the telecommunications loan program.

The Budget supports the Administration's commitment to phase out fossil fuel subsidies. The total electric loan level included in the budget is \$6.1 billion, of which, up to \$2 billion may be available for environmental improvements to fossil fuel electric generating plants that would reduce emissions of air pollutants, including greenhouse gases. The remaining funding would be limited to renewable energy, transmission, distribution, carbon capture projects on generation facilities, and low emission peaking units affiliated with energy facilities that produce electricity from solar, wind and other intermittent sources of energy.

RUS will cancel loans obligated, but not disbursed, more than ten years ago. Most electric loans obligated more than ten years

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM  
ACCOUNT—Continued

ago have either been disbursed or cancelled. However, current law prohibits the cancellation of telecommunications loans in most instances. This has resulted in many outstanding obligations that are older than ten years. Since loans are issued for specific projects, and technology is changing at a very fast pace, it is doubtful that the original project will be accomplished ten years after a loan is approved.

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

Object Classification (in millions of dollars)

| Identification code 12-1230-0-1-271                      | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                      |             |           |           |
| 25.3 Other goods and services from Federal sources ..... | 38          | 36        | 34        |
| 41.0 Grants, subsidies, and contributions .....          | 356         | 340       | .....     |
| 99.9 Total new obligations .....                         | 394         | 376       | 34        |

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS DIRECT LOAN FINANCING  
ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4208-0-3-271                                             | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                         |             |           |           |
| 0003 Interest on FFB Loans .....                                                | 1,201       | 1,535     | 1,563     |
| Credit program obligations:                                                     |             |           |           |
| 0710 Direct loan obligations .....                                              | 5,462       | 7,714     | 6,790     |
| 0713 Payment of interest to Treasury .....                                      | 714         | 902       | 918       |
| 0740 Negative subsidy obligations .....                                         | 209         | 335       | 377       |
| 0742 Downward reestimate paid to receipt account .....                          | 136         | 305       | .....     |
| 0743 Interest on downward reestimates .....                                     | 177         | 202       | .....     |
| 0791 Direct program activities, subtotal .....                                  | 6,698       | 9,458     | 8,085     |
| 0900 Total new obligations .....                                                | 7,899       | 10,993    | 9,648     |
| <b>Budgetary Resources:</b>                                                     |             |           |           |
| Unobligated balance:                                                            |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                           | 1,675       | 1,118     | .....     |
| 1021 Recoveries of prior year unpaid obligations .....                          | 309         | .....     | .....     |
| 1023 Unobligated balances applied to repay debt .....                           | -1,677      | -1,118    | .....     |
| 1024 Unobligated balance of borrowing authority withdrawn .....                 | -306        | .....     | .....     |
| 1050 Unobligated balance (total) .....                                          | 1           | .....     | .....     |
| Financing authority:                                                            |             |           |           |
| Borrowing authority, mandatory:                                                 |             |           |           |
| 1400 Borrowing authority .....                                                  | 5,929       | 7,551     | 6,512     |
| 1440 Borrowing authority, mandatory (total) .....                               | 5,929       | 7,551     | 6,512     |
| Spending authority from offsetting collections, mandatory:                      |             |           |           |
| 1800 Collected .....                                                            | 4,327       | 4,322     | 4,032     |
| 1801 Change in uncollected payments, Federal sources .....                      | -3          | -3        | -3        |
| 1825 Spending authority from offsetting collections applied to repay debt ..... | -1,237      | -877      | -893      |
| 1850 Spending auth from offsetting collections, mand (total) .....              | 3,087       | 3,442     | 3,136     |
| 1900 Financing authority (total) .....                                          | 9,016       | 10,993    | 9,648     |
| 1930 Total budgetary resources available .....                                  | 9,017       | 10,993    | 9,648     |
| Memorandum (non-add) entries:                                                   |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                           | 1,118       | .....     | .....     |
| <b>Change in obligated balance:</b>                                             |             |           |           |
| Obligated balance, start of year (net):                                         |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....                   | 19,163      | 19,052    | 19,957    |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....               | -12         | -9        | -6        |

|      |                                                              |        |         |        |
|------|--------------------------------------------------------------|--------|---------|--------|
| 3020 | Obligated balance, start of year (net) .....                 | 19,151 | 19,043  | 19,951 |
| 3030 | Obligations incurred, unexpired accounts .....               | 7,899  | 10,993  | 9,648  |
| 3040 | Financing disbursements (gross) .....                        | -7,701 | -10,088 | -9,628 |
| 3050 | Change in uncollected pymts, Fed sources, unexpired .....    | 3      | 3       | 3      |
| 3080 | Recoveries of prior year unpaid obligations, unexpired ..... | -309   | .....   | .....  |
|      | Obligated balance, end of year (net):                        |        |         |        |
| 3090 | Unpaid obligations, end of year (gross) .....                | 19,052 | 19,957  | 19,977 |
| 3091 | Uncollected pymts, Fed sources, end of year .....            | -9     | -6      | -3     |
| 3100 | Obligated balance, end of year (net) .....                   | 19,043 | 19,951  | 19,974 |

Financing authority and disbursements, net:

|      |                                                                      |        |        |        |
|------|----------------------------------------------------------------------|--------|--------|--------|
|      | Mandatory:                                                           |        |        |        |
| 4090 | Financing authority, gross .....                                     | 9,016  | 10,993 | 9,648  |
|      | Financing disbursements:                                             |        |        |        |
| 4110 | Financing disbursements, gross .....                                 | 7,701  | 10,088 | 9,628  |
|      | Offsets against gross financing authority and disbursements:         |        |        |        |
|      | Offsetting collections (collected) from:                             |        |        |        |
| 4120 | Payment from program account .....                                   | -356   | -343   | -3     |
| 4122 | Interest on uninvested funds .....                                   | -221   | -198   | -177   |
| 4123 | Repayment of principal .....                                         | -1,958 | -1,994 | -2,031 |
| 4123 | Interest received on loans .....                                     | -1,755 | -1,787 | -1,821 |
| 4123 | Other .....                                                          | -37    | .....  | .....  |
| 4130 | Offsets against gross financing auth and disbursements (total) ..... | -4,327 | -4,322 | -4,032 |
|      | Additional offsets against financing authority only (total):         |        |        |        |
| 4140 | Change in uncollected pymts, Fed sources, unexpired .....            | 3      | 3      | 3      |
| 4160 | Financing authority, net (mandatory) .....                           | 4,692  | 6,674  | 5,619  |
| 4170 | Financing disbursements, net (mandatory) .....                       | 3,374  | 5,766  | 5,596  |
| 4180 | Financing authority, net (total) .....                               | 4,692  | 6,674  | 5,619  |
| 4190 | Financing disbursements, net (total) .....                           | 3,374  | 5,766  | 5,596  |

Status of Direct Loans (in millions of dollars)

| Identification code 12-4208-0-3-271 | 2011 actual                                                            | 2012 est. | 2013 est. |        |
|-------------------------------------|------------------------------------------------------------------------|-----------|-----------|--------|
|                                     | Position with respect to appropriations act limitation on obligations: |           |           |        |
| 1131                                | Direct loan obligations exempt from limitation .....                   | 5,462     | 7,714     | 6,790  |
| 1150                                | Total direct loan obligations .....                                    | 5,462     | 7,714     | 6,790  |
|                                     | Cumulative balance of direct loans outstanding:                        |           |           |        |
| 1210                                | Outstanding, start of year .....                                       | 39,599    | 43,042    | 48,246 |
| 1231                                | Disbursements: Direct loan disbursements .....                         | 5,398     | 7,358     | 7,876  |
| 1251                                | Repayments: Repayments and prepayments .....                           | -1,958    | -2,154    | -2,369 |
| 1264                                | Write-offs for default: Other adjustments, Reclassified, net .....     | 3         | .....     | .....  |
| 1290                                | Outstanding, end of year .....                                         | 43,042    | 48,246    | 53,753 |

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

Balance Sheet (in millions of dollars)

| Identification code 12-4208-0-3-271 | 2010 actual                                                       | 2011 actual |        |
|-------------------------------------|-------------------------------------------------------------------|-------------|--------|
|                                     | ASSETS:                                                           |             |        |
|                                     | Federal assets:                                                   |             |        |
| 1101                                | Fund balances with Treasury .....                                 | 1,524       | 1,069  |
|                                     | Investments in US securities:                                     |             |        |
| 1106                                | Receivables, net .....                                            | 362         | 314    |
|                                     | Net value of assets related to post-1991 direct loans receivable: |             |        |
| 1401                                | Direct loans receivable, gross .....                              | 36,722      | 40,071 |
| 1402                                | Interest receivable .....                                         | 32          | 28     |
| 1405                                | Allowance for subsidy cost (-) .....                              | -751        | -672   |
| 1499                                | Net present value of assets related to direct loans .....         | 36,003      | 39,427 |
| 1999                                | Total assets .....                                                | 37,889      | 40,810 |
|                                     | LIABILITIES:                                                      |             |        |
| 2103                                | Federal liabilities: Debt .....                                   | 37,504      | 40,314 |
|                                     | Non-Federal liabilities:                                          |             |        |
| 2202                                | Interest payable .....                                            | 26          | 22     |
| 2207                                | Other .....                                                       | 359         | 474    |
| 2999                                | Total liabilities .....                                           | 37,889      | 40,810 |
| 4999                                | Total liabilities and net position .....                          | 37,889      | 40,810 |

| ASSETS:                                                           |                                                           |       |       |
|-------------------------------------------------------------------|-----------------------------------------------------------|-------|-------|
| Federal assets:                                                   |                                                           |       |       |
| 1101                                                              | Fund balances with Treasury .....                         | 200   | 113   |
| Investments in US securities:                                     |                                                           |       |       |
| 1106                                                              | Receivables, net .....                                    | 24    | 25    |
| Net value of assets related to post-1991 direct loans receivable: |                                                           |       |       |
| 1401                                                              | Direct loans receivable, gross .....                      | 2,877 | 2,971 |
| 1402                                                              | Interest receivable .....                                 | 1     | 1     |
| 1405                                                              | Allowance for subsidy cost (-) .....                      | 12    | 12    |
| 1499                                                              | Net present value of assets related to direct loans ..... | 2,878 | 2,984 |
| 1999                                                              | Total assets .....                                        | 3,102 | 3,122 |
| LIABILITIES:                                                      |                                                           |       |       |
| 2103                                                              | Federal liabilities: Debt .....                           | 3,068 | 3,089 |
| 2207                                                              | Non-Federal liabilities: Other .....                      | 34    | 33    |
| 2999                                                              | Total liabilities .....                                   | 3,102 | 3,122 |
| 4999                                                              | Total upward reestimate subsidy BA [12-1230] .....        | 3,102 | 3,122 |

|                                                     |                                               |        |      |      |
|-----------------------------------------------------|-----------------------------------------------|--------|------|------|
| Obligated balance, end of year (net):               |                                               |        |      |      |
| 3090                                                | Unpaid obligations, end of year (gross) ..... | 85     | 165  | 241  |
| 3100                                                | Obligated balance, end of year (net) .....    | 85     | 165  | 241  |
| <b>Budget authority and outlays, net:</b>           |                                               |        |      |      |
| Mandatory:                                          |                                               |        |      |      |
| 4090                                                | Budget authority, gross .....                 | 961    | 581  | 370  |
| Outlays, gross:                                     |                                               |        |      |      |
| 4100                                                | Outlays from new mandatory authority .....    | 361    | 290  | 262  |
| 4101                                                | Outlays from mandatory balances .....         | 13     | 45   | 32   |
| 4110                                                | Outlays, gross (total) .....                  | 374    | 335  | 294  |
| Offsets against gross budget authority and outlays: |                                               |        |      |      |
| Offsetting collections (collected) from:            |                                               |        |      |      |
| 4123                                                | Non-Federal sources .....                     | -2,218 | -828 | -772 |
| 4180                                                | Budget authority, net (total) .....           | -1,257 | -247 | -402 |
| 4190                                                | Outlays, net (total) .....                    | -1,844 | -493 | -478 |

**RURAL ELECTRIFICATION AND TELECOMMUNICATIONS GUARANTEED LOANS FINANCING ACCOUNT**

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

| Identification code 12-4209-0-3-271                 | 2011 actual                                                          | 2012 est. | 2013 est. |     |
|-----------------------------------------------------|----------------------------------------------------------------------|-----------|-----------|-----|
| Cumulative balance of guaranteed loans outstanding: |                                                                      |           |           |     |
| 2210                                                | Outstanding, start of year .....                                     | 202       | 199       | 195 |
| 2251                                                | Repayments and prepayments .....                                     | -3        | -4        | -4  |
| 2290                                                | Outstanding, end of year .....                                       | 199       | 195       | 191 |
| Memorandum:                                         |                                                                      |           |           |     |
| 2299                                                | Guaranteed amount of guaranteed loans outstanding, end of year ..... | 199       | 195       | 191 |

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

| Status of Direct Loans (in millions of dollars) |                                              |           |           |       |
|-------------------------------------------------|----------------------------------------------|-----------|-----------|-------|
| Identification code 12-4230-0-3-999             | 2011 actual                                  | 2012 est. | 2013 est. |       |
| Cumulative balance of direct loans outstanding: |                                              |           |           |       |
| 1210                                            | Outstanding, start of year .....             | 4,558     | 2,596     | 2,288 |
| 1251                                            | Repayments: Repayments and prepayments ..... | -1,311    | -342      | -302  |
| 1261                                            | Adjustments: Capitalized interest .....      | 75        | 65        | 65    |
| Write-offs for default:                         |                                              |           |           |       |
| 1263                                            | Direct loans .....                           | .....     | -31       | -27   |
| 1264                                            | Other adjustments, net (+ or -) .....        | -726      | .....     | ..... |
| 1290                                            | Outstanding, end of year .....               | 2,596     | 2,288     | 2,024 |

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

| Identification code 12-4230-0-3-999                 | 2011 actual                                                          | 2012 est. | 2013 est. |    |
|-----------------------------------------------------|----------------------------------------------------------------------|-----------|-----------|----|
| Cumulative balance of guaranteed loans outstanding: |                                                                      |           |           |    |
| 2210                                                | Outstanding, start of year .....                                     | 112       | 97        | 90 |
| 2251                                                | Repayments and prepayments .....                                     | -15       | -7        | -5 |
| 2290                                                | Outstanding, end of year .....                                       | 97        | 90        | 85 |
| Memorandum:                                         |                                                                      |           |           |    |
| 2299                                                | Guaranteed amount of guaranteed loans outstanding, end of year ..... | 78        | 85        | 81 |

**RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LIQUIDATING ACCOUNT**

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

| Identification code 12-4230-0-3-999                        | 2011 actual                                                                              | 2012 est. | 2013 est. |       |
|------------------------------------------------------------|------------------------------------------------------------------------------------------|-----------|-----------|-------|
| <b>Obligations by program activity:</b>                    |                                                                                          |           |           |       |
| 0001                                                       | Interest expense on certificates of beneficial ownership .....                           | 80        | 80        |       |
| 0002                                                       | Interest Expense, FFB direct .....                                                       | 197       | 140       | 95    |
| 0003                                                       | Other interest expense .....                                                             | 17        | 17        |       |
| 0005                                                       | Other: cushion of credit .....                                                           | 179       | 178       | 178   |
| 0900                                                       | Total new obligations .....                                                              | 376       | 415       | 370   |
| <b>Budgetary Resources:</b>                                |                                                                                          |           |           |       |
| Unobligated balance:                                       |                                                                                          |           |           |       |
| 1000                                                       | Unobligated balance brought forward, Oct 1 .....                                         | 2,412     | 2,997     | 3,163 |
| Budget authority:                                          |                                                                                          |           |           |       |
| Spending authority from offsetting collections, mandatory: |                                                                                          |           |           |       |
| 1800                                                       | Collected .....                                                                          | 2,218     | 828       | 772   |
| 1820                                                       | Capital transfer of spending authority from offsetting collections to general fund ..... | -90       | .....     | ..... |
| 1825                                                       | Spending authority from offsetting collections applied to repay debt .....               | -1,167    | -247      | -402  |
| 1850                                                       | Spending auth from offsetting collections, mand (total) .....                            | 961       | 581       | 370   |
| 1930                                                       | Total budgetary resources available .....                                                | 3,373     | 3,578     | 3,533 |
| Memorandum (non-add) entries:                              |                                                                                          |           |           |       |
| 1941                                                       | Unexpired unobligated balance, end of year .....                                         | 2,997     | 3,163     | 3,163 |
| <b>Change in obligated balance:</b>                        |                                                                                          |           |           |       |
| Obligated balance, start of year (net):                    |                                                                                          |           |           |       |
| 3000                                                       | Unpaid obligations, brought forward, Oct 1 (gross) .....                                 | 83        | 85        | 165   |
| 3030                                                       | Obligations incurred, unexpired accounts .....                                           | 376       | 415       | 370   |
| 3040                                                       | Outlays (gross) .....                                                                    | -374      | -335      | -294  |

**STATUS OF AGENCY DEBT**

[In millions of dollars]

|                                                                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------------|-------------|-----------|-----------|
| Agency debt held by FFB:                                                     |             |           |           |
| Outstanding FFB direct, start of year .....                                  | 2,319       | 1,835     | 1,246     |
| Outstanding Certificate of Beneficial Ownership (CBO's), start of year ..... | 2,358       | 1,675     | 1,147     |
| New agency borrowing, FFB direct .....                                       | 0           | 0         | 0         |
| Repayments and prepayments, FFB Direct .....                                 | -484        | -589      | -400      |
| Repayments, CBO's .....                                                      | -683        | -528      | -344      |
| Outstanding FFB direct, end of year .....                                    | 1,835       | 1,246     | 846       |
| Outstanding CBO's, end of year .....                                         | 1,675       | 1,147     | 803       |

The Rural Telephone Bank was dissolved in 2006. To accomplish this, the Rural Telephone Bank liquidating account loans were used to redeem a portion of the Government's stock. The Rural Telephone Bank liquidating account loans were transferred to the Rural Electrification and Telecommunications liquidating account in 2006.

The Rural Utilities Service (RUS) will continue to service all loans in this account providing business management and technical assistance to the borrowers on a regular basis over the life of the loans.

*Rural electric.*—This program is financed through RUS direct loans for the construction and operation of generating plants, electric transmission, and distribution lines or systems.

As required by the Federal Credit Reform Act of 1990, this account records, for rural electrification and telecommunications programs, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. All new activity in RETRF in 1992 and beyond is recorded in corresponding program and financing accounts.

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LIQUIDATING  
ACCOUNT—Continued

The following tables reflect statistics on loans made through the liquidating account only. Since 1992 new electric and telephone loans have been made through a separate program account.

ELECTRIC PROGRAM STATISTICS

| [dollars in millions]                   |             |           |           |
|-----------------------------------------|-------------|-----------|-----------|
|                                         | 2011 actual | 2012 est. | 2013 est. |
| Cumulative RUS financed direct loans    | 21,832      | 21,832    | 21,832    |
| Cumulative FFB financed direct loans    | 25,869      | 25,869    | 25,869    |
| Cumulative RUS funds advanced           | 21,832      | 21,832    | 21,832    |
| Unadvanced RUS funds, end of year       | 0           | 0         | 0         |
| Cumulative RUS principal repaid         | 20,223      | 20,493    | 20,774    |
| Cumulative RUS interest paid            | 12,862      | 12,964    | 13,052    |
| Cumulative loan guarantee commitments\1 | 0           | 0         | 0         |
| Number of borrowers                     | 602         | 595       | 587       |

*Rural telecommunications.*—This loan program is financed through RUS direct loans for the construction, expansion, and operation of telecommunications lines and facilities or systems.

TELECOMMUNICATIONS PROGRAM STATISTICS

| [dollars in millions]                   |             |           |           |
|-----------------------------------------|-------------|-----------|-----------|
|                                         | 2011 actual | 2012 est. | 2013 est. |
| Cumulative RUS financed direct loans    | 5,958       | 5,958     | 5,958     |
| Cumulative FFB financed direct loans    | 562         | 562       | 562       |
| Cumulative RUS funds advanced           | 5,916       | 5,921     | 5,927     |
| Unadvanced RUS funds, end of period     | 43          | 38        | 31        |
| Cumulative RUS principal repaid         | 5,377       | 5,436     | 5,487     |
| Cumulative RUS interest paid            | 3,370       | 3,385     | 3,398     |
| Cumulative loan guarantee commitments\1 | 0           | 0         | 0         |
| Number of borrowers                     | 363         | 357       | 350       |

RURAL TELEPHONE BANK PROGRAM STATISTICS

| [dollars in millions]              |             |           |           |
|------------------------------------|-------------|-----------|-----------|
|                                    | 2011 actual | 2012 est. | 2013 est. |
| Cumulative net loans               | 2,471       | 2,471     | 2,471     |
| Cumulative loan funds, advanced    | 2,471       | 2,471     | 2,471     |
| Unadvanced loan funds, end of year | 0           | 0         | 0         |
| Cumulative principal repaid        | 2,420       | 2,435     | 2,443     |
| Cumulative interest paid           | 2,489       | 2,493     | 2,497     |
| Number of borrowers                | 54          | 50        | 45        |

Balance Sheet (in millions of dollars)

| Identification code 12-4230-0-3-999                               |             |             |
|-------------------------------------------------------------------|-------------|-------------|
|                                                                   | 2010 actual | 2011 actual |
| <b>ASSETS:</b>                                                    |             |             |
| 1101 Federal assets: Fund balances with Treasury                  | 2,222       | 2,907       |
| 1601 Direct loans, gross                                          | 3,995       | 2,178       |
| 1602 Interest receivable                                          | 7           | 41          |
| 1603 Allowance for estimated uncollectible loans and interest (-) | -1,458      | -1,467      |
| 1699 Value of assets related to direct loans                      | 2,544       | 752         |
| 1999 Total assets                                                 | 4,766       | 3,659       |
| <b>LIABILITIES:</b>                                               |             |             |
| Federal liabilities:                                              |             |             |
| 2102 Interest payable                                             |             | 23          |
| 2103 Debt                                                         | 4,979       | 3,979       |
| 2104 Resources payable to Treasury                                | 35          | 14          |
| 2105 Other                                                        | -248        | -357        |
| 2999 Total liabilities                                            | 4,766       | 3,659       |
| 4999 Total liabilities and net position                           | 4,766       | 3,659       |
| <b>ASSETS:</b>                                                    |             |             |
| 1101 Federal assets: Fund balances with Treasury                  | 273         | 174         |
| 1601 Direct loans, gross                                          | 563         | 418         |
| 1602 Interest receivable                                          | 2           | 1           |
| 1603 Allowance for estimated uncollectible loans and interest (-) | -26         | -19         |
| 1699 Value of assets related to direct loans                      | 539         | 400         |
| 1999 Total assets                                                 | 812         | 574         |
| <b>LIABILITIES:</b>                                               |             |             |
| Federal liabilities:                                              |             |             |
| 2102 Interest payable                                             | 3           | 4           |
| 2103 Debt                                                         | 387         | 221         |
| 2104 Resources payable to Treasury                                | 411         | 339         |
| 2105 Other                                                        | 1           |             |
| 2999 Total liabilities                                            | 802         | 564         |

| NET POSITION:                           |     |     |
|-----------------------------------------|-----|-----|
| 3300 Cumulative results of operations   | 10  | 10  |
| 4999 Total liabilities and net position | 812 | 574 |

Object Classification (in millions of dollars)

| Identification code 12-4230-0-3-999          |             |           |           |
|----------------------------------------------|-------------|-----------|-----------|
|                                              | 2011 actual | 2012 est. | 2013 est. |
| Direct obligations:                          |             |           |           |
| 25.2 Other services from non-Federal sources | 179         | 178       | 178       |
| 33.0 Investments and loans                   |             | 17        | 17        |
| 43.0 Interest and dividends                  | 197         | 220       | 175       |
| 99.9 Total new obligations                   | 376         | 415       | 370       |

RURAL TELEPHONE BANK PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-1231-0-1-452                     |             |           |           |
|---------------------------------------------------------|-------------|-----------|-----------|
|                                                         | 2011 actual | 2012 est. | 2013 est. |
| <b>Obligations by program activity:</b>                 |             |           |           |
| Credit program obligations:                             |             |           |           |
| 0706 Interest on reestimates of direct loan subsidy     | 1           | 1         |           |
| 0900 Total new obligations (object class 41.0)          | 1           | 1         |           |
| <b>Budgetary Resources:</b>                             |             |           |           |
| Budget authority:                                       |             |           |           |
| Appropriations, mandatory:                              |             |           |           |
| 1200 Appropriation                                      | 1           | 1         |           |
| 1260 Appropriations, mandatory (total)                  | 1           | 1         |           |
| 1900 Budget authority (total)                           | 1           | 1         |           |
| 1930 Total budgetary resources available                | 1           | 1         |           |
| <b>Change in obligated balance:</b>                     |             |           |           |
| Obligated balance, start of year (net):                 |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) | 3           | 3         | 2         |
| 3030 Obligations incurred, unexpired accounts           | 1           | 1         |           |
| 3040 Outlays (gross)                                    | -1          | -2        | -1        |
| Obligated balance, end of year (net):                   |             |           |           |
| 3090 Unpaid obligations, end of year (gross)            | 3           | 2         | 1         |
| 3100 Obligated balance, end of year (net)               | 3           | 2         | 1         |
| <b>Budget authority and outlays, net:</b>               |             |           |           |
| Discretionary:                                          |             |           |           |
| Outlays, gross:                                         |             |           |           |
| 4011 Outlays from discretionary balances                |             | 1         | 1         |
| Mandatory:                                              |             |           |           |
| 4090 Budget authority, gross                            | 1           | 1         |           |
| Outlays, gross:                                         |             |           |           |
| 4100 Outlays from new mandatory authority               | 1           | 1         |           |
| 4180 Budget authority, net (total)                      | 1           | 1         |           |
| 4190 Outlays, net (total)                               | 1           | 2         | 1         |

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

| Identification code 12-1231-0-1-452               |             |           |           |
|---------------------------------------------------|-------------|-----------|-----------|
|                                                   | 2011 actual | 2012 est. | 2013 est. |
| Direct loan subsidy outlays:                      |             |           |           |
| 134001 Rural Telephone Bank                       |             | 1         | 1         |
| 134999 Total subsidy outlays                      |             | 1         | 1         |
| Direct loan upward reestimates:                   |             |           |           |
| 135001 Rural Telephone Bank                       | 1           | 1         |           |
| 135999 Total upward reestimate budget authority   | 1           | 1         |           |
| Direct loan downward reestimates:                 |             |           |           |
| 137001 Rural Telephone Bank                       | -4          | -2        |           |
| 137999 Total downward reestimate budget authority | -4          | -2        |           |

The Rural Telephone Bank (RTB) completed dissolution in 2006, therefore no federally funded RTB loans are proposed.

As required by the Federal Credit Reform Act of 1990, this account records, for the RTB, the subsidy costs associated with the direct loans obligated in 1992 and beyond as well as administrative expenses for the program. The subsidy amounts are estimated

on a present value basis; administrative expenses are estimated on a cash basis.

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

RURAL TELEPHONE BANK DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4210-0-3-452                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                    |             |           |           |
| Credit program obligations:                                |             |           |           |
| 0713                                                       | 22          | 20        | 19        |
| 0742                                                       | 4           | 2         |           |
| 0900                                                       | 26          | 22        | 19        |
| <b>Budgetary Resources:</b>                                |             |           |           |
| Unobligated balance:                                       |             |           |           |
| 1000                                                       | 26          |           |           |
| 1021                                                       | 43          |           |           |
| 1023                                                       | -26         |           |           |
| 1024                                                       | -43         |           |           |
| Financing authority:                                       |             |           |           |
| Borrowing authority, mandatory:                            |             |           |           |
| 1400                                                       | 19          |           |           |
| 1440                                                       | 19          |           |           |
| Spending authority from offsetting collections, mandatory: |             |           |           |
| 1800                                                       | 67          | 55        | 55        |
| 1801                                                       | -1          | -1        |           |
| 1825                                                       |             |           |           |
| 1850                                                       | 7           | 22        | 19        |
| 1900                                                       | 26          | 22        | 19        |
| 1930                                                       | 26          | 22        | 19        |

|                                         |     |     |     |
|-----------------------------------------|-----|-----|-----|
| <b>Change in obligated balance:</b>     |     |     |     |
| Obligated balance, start of year (net): |     |     |     |
| 3000                                    | 227 | 164 | 139 |
| 3010                                    | -3  | -2  | -1  |
| 3020                                    | 224 | 162 | 138 |
| 3030                                    | 26  | 22  | 19  |
| 3040                                    | -46 | -47 | -27 |
| 3050                                    | 1   | 1   |     |
| 3080                                    | -43 |     |     |
| Obligated balance, end of year (net):   |     |     |     |
| 3090                                    | 164 | 139 | 131 |
| 3091                                    | -2  | -1  | -1  |
| 3100                                    | 162 | 138 | 130 |

|                                                              |     |     |     |
|--------------------------------------------------------------|-----|-----|-----|
| <b>Financing authority and disbursements, net:</b>           |     |     |     |
| Mandatory:                                                   |     |     |     |
| 4090                                                         | 26  | 22  | 19  |
| Financing disbursements:                                     |     |     |     |
| 4110                                                         | 46  | 47  | 27  |
| Offsets against gross financing authority and disbursements: |     |     |     |
| Offsetting collections (collected) from:                     |     |     |     |
| 4120                                                         | -1  | -2  | -1  |
| 4122                                                         | -2  | -2  | -2  |
| 4123                                                         | -43 | -31 | -33 |
| 4123                                                         | -21 | -20 | -19 |
| 4130                                                         | -67 | -55 | -55 |
| Additional offsets against financing authority only (total): |     |     |     |
| 4140                                                         | 1   | 1   |     |
| 4160                                                         | -40 | -32 | -36 |
| 4170                                                         | -21 | -8  | -28 |
| 4180                                                         | -40 | -32 | -36 |
| 4190                                                         | -21 | -8  | -28 |

Status of Direct Loans (in millions of dollars)

| Identification code 12-4210-0-3-452             | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------|-------------|-----------|-----------|
| Cumulative balance of direct loans outstanding: |             |           |           |
| 1210                                            | 388         | 365       | 381       |
| 1231                                            | 19          | 47        | 27        |
| 1251                                            | -42         | -31       | -33       |
| 1290                                            | 365         | 381       | 375       |

Balance Sheet (in millions of dollars)

| Identification code 12-4210-0-3-452                               | 2010 actual | 2011 actual |
|-------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                    |             |             |
| 1101                                                              | 54          | 12          |
| Net value of assets related to post-1991 direct loans receivable: |             |             |
| 1401                                                              | 388         | 365         |
| 1405                                                              | 26          | 28          |
| 1499                                                              | 414         | 393         |
| 1999                                                              | 468         | 405         |
| <b>LIABILITIES:</b>                                               |             |             |
| 2103                                                              | 468         | 405         |
| 4999                                                              | 468         | 405         |

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND PROGRAM

For the principal amount of broadband telecommunication loans, **[\$212,014,000] \$94,139,000.**

For grants for telemedicine and distance learning services in rural areas, as authorized by 7 U.S.C. 950aaa et seq., **[\$21,000,000] \$24,950,000**, to remain available until expended: *Provided*, That \$3,000,000 shall be made available for grants authorized by 379G of the Consolidated Farm and Rural Development Act: *Provided further*, That funding provided under this heading for grants under 379G of the Consolidated Farm and Rural Development Act may only be provided to entities that meet all of the eligibility criteria for a consortium as established by this section: *Provided further*, That \$3,000,000 shall be made available to those noncommercial educational television broadcast stations that serve rural areas and are qualified for Community Service Grants by the Corporation for Public Broadcasting under section 396(k) of the Communications Act of 1934, including associated translators and repeaters, regardless of the location of their main transmitter, studio-to-transmitter links, and equipment to allow local control over digital content and programming through the use of high definition broadcast, multi-casting and datacasting technologies].

For the cost of broadband loans, as authorized by section 601 of the Rural Electrification Act, **[\$6,000,000] \$8,915,000**, to remain available until expended: *Provided*, That the cost of direct loans shall be as defined in section 502 of the Congressional Budget Act of 1974.

In addition, **[\$10,372,000] \$13,379,000**, to remain available until expended, for a grant program to finance broadband transmission in rural areas eligible for Distance Learning and Telemedicine Program benefits authorized by 7 U.S.C. 950aaa. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-1232-0-1-452     | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b> |             |           |           |
| 0010                                    | 89          | 36        | 38        |
| Credit program obligations:             |             |           |           |
| 0701                                    | 2           | 26        | 9         |
| 0705                                    | 17          | 6         |           |
| 0706                                    | 8           | 2         |           |
| 0791                                    | 27          | 34        | 9         |
| 0900                                    | 116         | 70        | 47        |

|                             |     |    |  |
|-----------------------------|-----|----|--|
| <b>Budgetary Resources:</b> |     |    |  |
| Unobligated balance:        |     |    |  |
| 1000                        | 104 | 25 |  |
| 1021                        | 9   |    |  |
| 1050                        | 113 | 25 |  |

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND PROGRAM—Continued  
Program and Financing—Continued

| Identification code 12-1232-0-1-452       | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------|-------------|-----------|-----------|
| <b>Budget authority:</b>                  |             |           |           |
| Appropriations, discretionary:            |             |           |           |
| 1100                                      | 68          | 37        | 47        |
| 1130                                      | -64         |           |           |
| 1160                                      | 4           | 37        | 47        |
| Appropriations, mandatory:                |             |           |           |
| 1200                                      | 24          | 8         |           |
| 1260                                      | 24          | 8         |           |
| 1900                                      | 28          | 45        | 47        |
| 1930                                      | 141         | 70        | 47        |
| <b>Memorandum (non-add) entries:</b>      |             |           |           |
| 1941                                      | 25          |           |           |
| <b>Change in obligated balance:</b>       |             |           |           |
| Obligated balance, start of year (net):   |             |           |           |
| 3000                                      | 2,512       | 2,160     | 1,565     |
| 3030                                      | 116         | 70        | 47        |
| 3040                                      | -332        | -665      | -784      |
| 3080                                      | -9          |           |           |
| 3081                                      | -127        |           |           |
| Obligated balance, end of year (net):     |             |           |           |
| 3090                                      | 2,160       | 1,565     | 828       |
| 3100                                      | 2,160       | 1,565     | 828       |
| <b>Budget authority and outlays, net:</b> |             |           |           |
| Discretionary:                            |             |           |           |
| 4000                                      | 4           | 37        | 47        |
| Outlays, gross:                           |             |           |           |
| 4010                                      | 4           | 1         | 3         |
| 4011                                      | 304         | 656       | 781       |
| 4020                                      | 308         | 657       | 784       |
| Mandatory:                                |             |           |           |
| 4090                                      | 24          | 8         |           |
| 4100                                      | 24          | 8         |           |
| 4180                                      | 28          | 45        | 47        |
| 4190                                      | 332         | 665       | 784       |

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

| Identification code 12-1232-0-1-452                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct loan levels supportable by subsidy budget authority:</b> |             |           |           |
| 115003                                                             | 37          | 736       | 94        |
| 115999                                                             | 37          | 736       | 94        |
| <b>Direct loan subsidy (in percent):</b>                           |             |           |           |
| 132003                                                             | 6.84        | 3.55      | 9.47      |
| 132999                                                             | 6.84        | 3.55      | 9.47      |
| <b>Direct loan subsidy budget authority:</b>                       |             |           |           |
| 133003                                                             | 3           | 26        | 9         |
| 133999                                                             | 3           | 26        | 9         |
| <b>Direct loan subsidy outlays:</b>                                |             |           |           |
| 134003                                                             | 4           | 6         | 11        |
| 134004                                                             | 13          | 19        | 19        |
| 134999                                                             | 17          | 25        | 30        |
| <b>Direct loan upward reestimates:</b>                             |             |           |           |
| 135001                                                             | 19          | 4         |           |
| 135003                                                             | 5           | 4         |           |
| 135999                                                             | 24          | 8         |           |
| <b>Direct loan downward reestimates:</b>                           |             |           |           |
| 137001                                                             | -3          | -7        |           |
| 137003                                                             | -19         | -34       |           |
| 137999                                                             | -22         | -41       |           |

The loan and grant program provides access to advanced telecommunications services for improved education and health care in rural areas throughout the country. The loans and grants help education and health care providers bring the most modern technology, level of care, and education to rural America so its citizens can compete regionally, nationally, and globally.

Since there is little demand for the Distance Learning, Telemedicine (DLT) loans, the Budget proposes no funding for DLT loans in 2013 while requesting \$24.95 million for DLT grants. The request for Broadband grants is \$13.4 million and the Broadband loan request is \$8.9 million.

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND DIRECT LOAN  
FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4146-0-3-452                          | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                      |             |           |           |
| Credit program obligations:                                  |             |           |           |
| 0710                                                         | 37          | 736       | 94        |
| 0713                                                         | 31          | 31        | 32        |
| 0742                                                         | 19          | 36        |           |
| 0743                                                         | 3           | 6         |           |
| 0900                                                         | 90          | 809       | 126       |
| <b>Budgetary Resources:</b>                                  |             |           |           |
| Unobligated balance:                                         |             |           |           |
| 1000                                                         | 7           | 1         |           |
| 1021                                                         | 84          |           |           |
| 1023                                                         | -10         | -1        |           |
| 1024                                                         | -81         |           |           |
| Financing authority:                                         |             |           |           |
| Borrowing authority, mandatory:                              |             |           |           |
| 1400                                                         | 67          | 637       |           |
| 1440                                                         | 67          | 637       |           |
| Spending authority from offsetting collections, mandatory:   |             |           |           |
| 1800                                                         | 134         | 178       | 257       |
| 1801                                                         | -17         | -6        | 45        |
| 1825                                                         | -93         |           | -176      |
| 1850                                                         | 24          | 172       | 126       |
| 1900                                                         | 91          | 809       | 126       |
| 1930                                                         | 91          | 809       | 126       |
| <b>Memorandum (non-add) entries:</b>                         |             |           |           |
| 1941                                                         | 1           |           |           |
| <b>Change in obligated balance:</b>                          |             |           |           |
| Obligated balance, start of year (net):                      |             |           |           |
| 3000                                                         | 1,757       | 1,412     | 1,570     |
| 3010                                                         | -102        | -85       | -79       |
| 3020                                                         | 1,655       | 1,327     | 1,491     |
| 3030                                                         | 90          | 809       | 126       |
| 3040                                                         | -351        | -651      | -651      |
| 3050                                                         | 17          | 6         | -45       |
| 3080                                                         | -84         |           |           |
| Obligated balance, end of year (net):                        |             |           |           |
| 3090                                                         | 1,412       | 1,570     | 1,045     |
| 3091                                                         | -85         | -79       | -124      |
| 3100                                                         | 1,327       | 1,491     | 921       |
| <b>Financing authority and disbursements, net:</b>           |             |           |           |
| Mandatory:                                                   |             |           |           |
| 4090                                                         | 91          | 809       | 126       |
| Financing disbursements:                                     |             |           |           |
| 4110                                                         | 351         | 651       | 651       |
| Offsets against gross financing authority and disbursements: |             |           |           |
| Offsetting collections (collected) from:                     |             |           |           |
| 4120                                                         | -40         | -33       | -30       |
| 4122                                                         | -8          | -8        | -7        |
| 4123                                                         | -68         | -116      | -203      |
| 4123                                                         | -18         | -21       | -17       |
| 4130                                                         | -134        | -178      | -257      |
| Additional offsets against financing authority only (total): |             |           |           |
| 4140                                                         | 17          | 6         | -45       |
| 4160                                                         | -26         | 637       | -176      |
| 4170                                                         | 217         | 473       | 394       |
| 4180                                                         | -26         | 637       | -176      |
| 4190                                                         | 217         | 473       | 394       |



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

| Identification code 12-4146-0-3-452                                           | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Position with respect to appropriations act limitation on obligations:</b> |             |           |           |
| 1111 Limitation on direct loans .....                                         | 37          | 736       | 94        |
| 1150 Total direct loan obligations .....                                      | 37          | 736       | 94        |
| <b>Cumulative balance of direct loans outstanding:</b>                        |             |           |           |
| 1210 Outstanding, start of year .....                                         | 468         | 695       | 1,223     |
| 1231 Disbursements: Direct loan disbursements .....                           | 298         | 644       | 606       |
| 1251 Repayments: Repayments and prepayments .....                             | -67         | -116      | -203      |
| 1264 Write-offs for default: Charge Off - Misc and Assn Loans, net .....      | -4          |           |           |
| 1290 Outstanding, end of year .....                                           | 695         | 1,223     | 1,626     |

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

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

| Identification code 12-4146-0-3-452                               | 2010 actual | 2011 actual |
|-------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                    |             |             |
| 1101 Federal assets: Fund balances with Treasury .....            | 47          | 29          |
| Net value of assets related to post-1991 direct loans receivable: |             |             |
| 1401 Direct loans receivable, gross .....                         | 468         | 695         |
| 1402 Interest receivable .....                                    | 2           | 4           |
| 1405 Allowance for subsidy cost (-) .....                         | 29          | 19          |
| 1405 Allowance for loss on interest receivable (-) .....          | -2          | -3          |
| 1499 Net present value of assets related to direct loans .....    | 497         | 715         |
| 1999 Total assets .....                                           | 544         | 744         |
| <b>LIABILITIES:</b>                                               |             |             |
| 2103 Federal liabilities: Debt .....                              | 544         | 744         |
| 4999 Total liabilities and net position .....                     | 544         | 744         |

**RURAL DEVELOPMENT INSURANCE FUND LIQUIDATING ACCOUNT**

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

| Identification code 12-4155-0-3-452                                                           | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Budgetary Resources:</b>                                                                   |             |           |           |
| Unobligated balance:                                                                          |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                                         |             | 5         |           |
| 1022 Capital transfer of unobligated balances to general fund .....                           |             | -5        |           |
| Budget authority:                                                                             |             |           |           |
| Spending authority from offsetting collections, mandatory:                                    |             |           |           |
| 1800 Collected .....                                                                          | 207         | 146       | 126       |
| 1820 Capital transfer of spending authority from offsetting collections to general fund ..... | -202        | -146      | -126      |
| 1850 Spending auth from offsetting collections, mand (total) .....                            | 5           |           |           |
| 1930 Total budgetary resources available .....                                                | 5           |           |           |
| Memorandum (non-add) entries:                                                                 |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                                         | 5           |           |           |
| <b>Budget authority and outlays, net:</b>                                                     |             |           |           |
| Mandatory:                                                                                    |             |           |           |
| 4090 Budget authority, gross .....                                                            | 5           |           |           |
| Offsets against gross budget authority and outlays:                                           |             |           |           |
| Offsetting collections (collected) from:                                                      |             |           |           |
| 4123 Non-Federal sources .....                                                                | -207        | -146      | -126      |
| 4180 Budget authority, net (total) .....                                                      | -202        | -146      | -126      |
| 4190 Outlays, net (total) .....                                                               | -207        | -146      | -126      |

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

| Identification code 12-4155-0-3-452                    | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------|-------------|-----------|-----------|
| <b>Cumulative balance of direct loans outstanding:</b> |             |           |           |
| 1210 Outstanding, start of year .....                  | 1,211       | 1,072     | 981       |
| 1251 Repayments: Repayments and prepayments .....      | -139        | -91       | -84       |

|                                     |       |     |     |
|-------------------------------------|-------|-----|-----|
| 1290 Outstanding, end of year ..... | 1,072 | 981 | 897 |
|-------------------------------------|-------|-----|-----|

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

| Identification code 12-4155-0-3-452                                       | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Cumulative balance of guaranteed loans outstanding:</b>                |             |           |           |
| 2210 Outstanding, start of year .....                                     | 14          |           |           |
| 2210 Outstanding, start of year .....                                     |             | 9         | 7         |
| 2251 Repayments and prepayments .....                                     | 7           | -2        | -1        |
| 2264 Adjustments: Other adjustments, net .....                            | -12         |           |           |
| 2290 Outstanding, end of year .....                                       | 9           | 7         | 6         |
| <b>Memorandum:</b>                                                        |             |           |           |
| 2299 Guaranteed amount of guaranteed loans outstanding, end of year ..... | 8           | 6         | 5         |

The Rural Development Insurance Fund (RDIF) was established on October 1, 1972, pursuant to section 116 of the Rural Development Act of 1972 (Public Law 92-419).

The fund is used to insure or guarantee loans for water systems and waste disposal facilities, community facilities, and industrial development in rural areas. Communities unable to afford low interest loans for water and waste disposal facilities are also able to obtain water and waste disposal grants.

The water and waste direct and guaranteed loan programs are administered by the Rural Utilities Service, the community facility direct and guaranteed loan programs are administered by the Rural Housing Service, and the business and industry direct and guaranteed loan programs are administered by the Rural Business-Cooperative Service.

As required by the Federal Credit Reform Act of 1990, this account records, for these loan programs, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. All new activity in these programs is recorded in corresponding program accounts and financing accounts.

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

| Identification code 12-4155-0-3-452                                       | 2010 actual | 2011 actual |
|---------------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                            |             |             |
| 1101 Federal assets: Fund balances with Treasury .....                    | 1           | 6           |
| 1201 Non-Federal assets: Investments in non-Federal securities, net ..... | 34          | 34          |
| 1601 Direct loans, gross .....                                            | 1,211       | 1,072       |
| 1602 Interest receivable .....                                            | 12          | 10          |
| 1603 Allowance for estimated uncollectible loans and interest (-) .....   | -130        | -117        |
| 1699 Value of assets related to direct loans .....                        | 1,093       | 965         |
| 1999 Total assets .....                                                   | 1,128       | 1,005       |
| <b>LIABILITIES:</b>                                                       |             |             |
| 2104 Federal liabilities: Resources payable to Treasury .....             | 1,128       | 1,004       |
| 2204 Non-Federal liabilities: Liabilities for loan guarantees .....       |             | 1           |
| 2999 Total liabilities .....                                              | 1,128       | 1,005       |
| 4999 Total liabilities and net position .....                             | 1,128       | 1,005       |

**RURAL COMMUNICATION DEVELOPMENT FUND LIQUIDATING ACCOUNT**

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

| Identification code 12-4142-0-3-452                    | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------|-------------|-----------|-----------|
| <b>Cumulative balance of direct loans outstanding:</b> |             |           |           |
| 1210 Outstanding, start of year .....                  | 2           | 2         | 2         |
| 1251 Repayments: Repayments and prepayments .....      |             |           |           |
| 1290 Outstanding, end of year .....                    | 2           | 2         | 2         |

The Rural Communication Development Fund was established pursuant to the Secretary's Memorandum No. 1988, approved

RURAL COMMUNICATION DEVELOPMENT FUND LIQUIDATING  
ACCOUNT—Continued

May 22, 1979. No loans have been made through this account since 1992.

Balance Sheet (in millions of dollars)

| Identification code 12-4142-0-3-452                                     | 2010 actual | 2011 actual |
|-------------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                          |             |             |
| 1601 Direct loans, gross .....                                          | 2           | 2           |
| 1603 Allowance for estimated uncollectible loans and interest (-) ..... | -1          | -1          |
| 1699 Value of assets related to direct loans .....                      | 1           | 1           |
| 1999 Total assets .....                                                 | 1           | 1           |
| <b>LIABILITIES:</b>                                                     |             |             |
| 2104 Federal liabilities: Resources payable to Treasury .....           | 1           | 1           |
| 4999 Total liabilities and net position .....                           | 1           | 1           |

FOREIGN AGRICULTURAL SERVICE

Federal Funds

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Foreign Agricultural Service, including not to exceed \$158,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), **[\$176,347,000] \$176,789,000: Provided,** That the Service may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1737) and the foreign assistance programs of the United States Agency for International Development: *Provided further, That, of the amount appropriated under this heading, \$5,550,000 is for stabilization and reconstruction activities to be carried out under the authority provided by title XIV of the Food and Agriculture Act of 1977 (7 U.S.C. 3101 et seq.) and other applicable laws: Provided further,* That funds made available for middle-income country training programs, funds made available for the Borlaug International Agricultural Science and Technology Fellowship program, and up to \$2,000,000 of the Foreign Agricultural Service appropriation solely for the purpose of offsetting fluctuations in international currency exchange rates, subject to documentation by the Foreign Agricultural Service, shall remain available until expended. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 12-2900-0-1-352                                                  | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year .....                                                    |             |           | 1         |
| <b>Receipts:</b>                                                                     |             |           |           |
| 0220 Deposits of Miscellaneous Contributed Funds, Foreign Agricultural Service ..... |             | 1         | 1         |
| 0400 Total: Balances and collections .....                                           |             | 1         | 2         |
| 0799 Balance, end of year .....                                                      |             | 1         | 2         |

Program and Financing (in millions of dollars)

| Identification code 12-2900-0-1-352        | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>    |             |           |           |
| 0001 Trade Promotion .....                 | 68          | 65        | 65        |
| 0002 Trade Policy .....                    | 81          | 77        | 78        |
| 0003 Capacity Building/Food Security ..... | 43          | 40        | 40        |
| 0799 Total direct obligations .....        | 192         | 182       | 183       |
| 0801 Reimbursable Program .....            | 231         | 63        | 63        |
| 0900 Total new obligations .....           | 423         | 245       | 246       |

Budgetary Resources:

|                                                                       |     |     |     |
|-----------------------------------------------------------------------|-----|-----|-----|
| <b>Unobligated balance:</b>                                           |     |     |     |
| 1000 Unobligated balance brought forward, Oct 1 .....                 | 124 | 53  | 47  |
| 1011 Unobligated balance transfer from other accts [72-1037] ....     | 19  |     |     |
| 1011 Unobligated balance transfer from other accts [19-0113] ....     | 7   |     |     |
| 1021 Recoveries of prior year unpaid obligations .....                | 1   |     |     |
| 1050 Unobligated balance (total) .....                                | 151 | 53  | 47  |
| <b>Budget authority:</b>                                              |     |     |     |
| <b>Appropriations, discretionary:</b>                                 |     |     |     |
| 1100 Appropriation .....                                              | 186 | 176 | 177 |
| 1120 Appropriations transferred to other accts [72-1037] .....        | -17 |     |     |
| 1121 Appropriations transferred from other accts [72-0306] ....       | 10  |     |     |
| 1121 Transferred from other accounts [19-0113] .....                  | 17  |     |     |
| 1131 Unobligated balance of appropriations permanently reduced .....  |     | -1  |     |
| 1160 Appropriation, discretionary (total) .....                       | 196 | 175 | 177 |
| <b>Appropriations, mandatory:</b>                                     |     |     |     |
| 1200 Appropriation .....                                              |     | 1   | 1   |
| 1260 Appropriations, mandatory (total) .....                          |     | 1   | 1   |
| <b>Spending authority from offsetting collections, discretionary:</b> |     |     |     |
| 1700 Collected .....                                                  | 27  | 63  | 63  |
| 1701 Change in uncollected payments, Federal sources .....            | 152 |     |     |
| 1750 Spending auth from offsetting collections, disc (total) .....    | 179 | 63  | 63  |
| 1900 Budget authority (total) .....                                   | 375 | 239 | 241 |
| 1930 Total budgetary resources available .....                        | 526 | 292 | 288 |
| <b>Memorandum (non-add) entries:</b>                                  |     |     |     |
| 1940 Unobligated balance expiring .....                               | -50 |     |     |
| 1941 Unexpired unobligated balance, end of year .....                 | 53  | 47  | 42  |

Change in obligated balance:

|                                                                   |      |      |      |
|-------------------------------------------------------------------|------|------|------|
| <b>Obligated balance, start of year (net):</b>                    |      |      |      |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 127  | 220  | 29   |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -271 | -336 | -336 |
| 3020 Obligated balance, start of year (net) .....                 | -144 | -116 | -307 |
| 3030 Obligations incurred, unexpired accounts .....               | 423  | 245  | 246  |
| 3031 Obligations incurred, expired accounts .....                 | 22   |      |      |
| 3040 Outlays (gross) .....                                        | -319 | -436 | -241 |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....    | -152 |      |      |
| 3051 Change in uncollected pymts, Fed sources, expired .....      | 87   |      |      |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -1   |      |      |
| 3081 Recoveries of prior year unpaid obligations, expired .....   | -32  |      |      |
| <b>Obligated balance, end of year (net):</b>                      |      |      |      |
| 3090 Unpaid obligations, end of year (gross) .....                | 220  | 29   | 34   |
| 3091 Uncollected pymts, Fed sources, end of year .....            | -336 | -336 | -336 |
| 3100 Obligated balance, end of year (net) .....                   | -116 | -307 | -302 |

Budget authority and outlays, net:

|                                                                     |      |     |     |
|---------------------------------------------------------------------|------|-----|-----|
| <b>Discretionary:</b>                                               |      |     |     |
| 4000 Budget authority, gross .....                                  | 375  | 238 | 240 |
| <b>Outlays, gross:</b>                                              |      |     |     |
| 4010 Outlays from new discretionary authority .....                 | 221  | 226 | 228 |
| 4011 Outlays from discretionary balances .....                      | 98   | 209 | 12  |
| 4020 Outlays, gross (total) .....                                   | 319  | 435 | 240 |
| <b>Offsets against gross budget authority and outlays:</b>          |      |     |     |
| <b>Offsetting collections (collected) from:</b>                     |      |     |     |
| 4030 Federal sources .....                                          | -137 | -63 | -63 |
| 4033 Non-Federal sources .....                                      | -1   |     |     |
| 4040 Offsets against gross budget authority and outlays (total) ... | -138 | -63 | -63 |
| <b>Additional offsets against gross budget authority only:</b>      |      |     |     |
| 4050 Change in uncollected pymts, Fed sources, unexpired .....      | -152 |     |     |
| 4052 Offsetting collections credited to expired accounts .....      | 111  |     |     |
| 4060 Additional offsets against budget authority only (total) ..... | -41  |     |     |
| 4070 Budget authority, net (discretionary) .....                    | 196  | 175 | 177 |
| 4080 Outlays, net (discretionary) .....                             | 181  | 372 | 177 |
| <b>Mandatory:</b>                                                   |      |     |     |
| 4090 Budget authority, gross .....                                  |      | 1   | 1   |
| <b>Outlays, gross:</b>                                              |      |     |     |
| 4100 Outlays from new mandatory authority .....                     |      | 1   | 1   |
| 4180 Budget authority, net (total) .....                            | 196  | 176 | 178 |
| 4190 Outlays, net (total) .....                                     | 181  | 373 | 178 |

The Foreign Agricultural Service's (FAS) mission is linking U.S. agriculture to the world to enhance export opportunities and global food security. FAS helps to provide outlets for the wide variety of U.S. agricultural products, thereby enhancing economic activity for U.S. workers. FAS serves U.S. agriculture's interests by expanding and maintaining international export opportunities,

supporting international economic development and trade and capacity building, and global food security. The outcomes envisioned are exports that help U.S. agriculture prosper, the expansion of U.S. exports of organics and crops produced using new technologies and food that are globally available, accessible, and appropriately used. In addition to its Washington-based staff, the agency maintains a network of overseas offices that serve as first responders in cases of market disruption. The overseas offices also provide the Department with critical market and policy intelligence, and they represent U.S. agriculture in consultations with foreign governments. The 2013 Budget includes \$176.8 million for FAS, which is \$0.4 million more than the 2012 enacted level.

**Trade Promotion.** A substantial portion of U.S. agricultural cash receipts come from export sales, making the vitality of rural America heavily dependent on international trade. U.S. farmers and ranchers are among the most productive and efficient in the world. However, they face complex and unfair obstacles in the global marketplace, where 95 percent of the world's consumers live. FAS trade promotion activities help U.S. food and agricultural exporters take advantage of market opportunities created by its trade policy and capacity building successes. FAS administers a set of market development tools that support U.S. exporters facing fierce competition in the international marketplace. A cooperative effort with the U.S. industry is needed to ensure that the U.S. agricultural sector has fair market access, a strong understanding of key market trends, and support in overcoming constraints such as tight credit in international markets. FAS administers programs and activities, working in partnership with private sector associations and state and regional trade groups, and U.S. food and agricultural exporters. U.S. producers are not guaranteed a role in the global marketplace. Successful marketing strategies depend on a strong understanding of market trends, such as rising incomes in countries such as China, Indonesia, and Mexico that stimulate demand for a more nutritious and varied diet. As markets change, farmers need the tools to introduce new products to new customers, maintain current sales in the face of new competition, and overcome constraints such as tight credit. The results of FAS efforts ultimately benefit both the farm and non-farm sectors of the U.S. economy through job creation and additional economic activity. FAS supports the National Export Initiative (NEI) which has the primary goal of spurring economic growth and employment opportunities. The future of U.S. agriculture is tied to trade, as agricultural trade is an important generator of output, employment, and income in the U.S. economy. Currently, FAS employs available personnel and information resources to contribute to preparation of the National Export Strategy, report on NEI activities and accomplishments, and planning and executing NEI road shows.

**Trade Policy.** The agency's trade policy work ensures that U.S. exporters can sell safe, wholesome U.S. food and agricultural products around the world. With its network of knowledgeable overseas attaches and Washington experts, FAS is well positioned to harness a wide range of resources to address complex problems. FAS partners with the Office of the United States Trade Representative (USTR), other U.S. Government agencies and trade associations, as well as regional and international organizations, in a coordinated effort to negotiate trade agreements; establish transparent, science-based standards; and resolve trade barriers. Unfair trade barriers limit U.S. sales to many countries. As tariffs and other traditional trade barriers have been negotiated away, many importing countries have begun to erect new trade barriers using unscientific plant and animal health requirements and other technical barriers to limit trade. Removing existing barriers,

while ensuring new ones are not introduced, will directly help U.S. food and agricultural exports thrive. U.S. farmers are taking full advantage of biotechnology and other new technologies to increase their productivity. They are also expanding production of organic products in response to growing consumer demand.

**Capacity Building/Food Security.** FAS capacity building and food security activities lay the groundwork for furthering U.S. agriculture's trade interests in developing countries around the world. In-country institutional capacity-building, research, technical training, and food assistance activities target developing economies with promising market potential. Our farmers and scientists are among the most productive and advanced in the world, producing bountiful supplies of staple foods like wheat, rice, and soybeans, while developing new innovative crop technologies and farming techniques. FAS plays the lead role in coordinating the linkage of agricultural expertise to U.S. international development activities, ensuring alignment with U.S. trade and foreign affairs policies as well as the national security strategy. FAS administers several food assistance programs to help developing countries with humanitarian crises, economic development, and the transition from being food aid recipients to commercial importers. Programs administered by FAS consist of P.L. 480, Title I; Food for Progress; the McGovern-Dole International Food for Education and Child Nutrition Program; and the Local and Regional Food Aid Procurement Program. These programs feature a mix of monetization, direct distribution, and local food aid commodity procurement to meet the specific needs of recipient countries.

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

| Identification code 12-2900-0-1-352                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| <b>Personnel compensation:</b>                                  |             |           |           |
| 11.1 Full-time permanent .....                                  | 84          | 76        | 77        |
| 11.3 Other than full-time permanent .....                       | 1           | 1         | 1         |
| 11.5 Other personnel compensation .....                         | 3           | 3         | 3         |
| 11.8 Special personal services payments .....                   |             | 2         | 2         |
| 11.9 Total personnel compensation .....                         | 88          | 82        | 83        |
| 12.1 Civilian personnel benefits .....                          | 26          | 25        | 25        |
| 21.0 Travel and transportation of persons .....                 | 7           | 7         | 7         |
| 22.0 Transportation of things .....                             | 1           | 1         | 1         |
| 23.2 Rental payments to others .....                            | 7           | 1         | 1         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 1           | 1         | 1         |
| 24.0 Printing and reproduction .....                            | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....              | 55          | 51        | 51        |
| 26.0 Supplies and materials .....                               | 5           | 11        | 11        |
| 31.0 Equipment .....                                            | 1           | 1         | 1         |
| 41.0 Grants, subsidies, and contributions .....                 |             | 1         | 1         |
| 99.0 Direct obligations .....                                   | 192         | 182       | 183       |
| 99.0 Reimbursable obligations .....                             | 231         | 63        | 63        |
| 99.9 Total new obligations .....                                | 423         | 245       | 246       |

**Employment Summary**

| Identification code 12-2900-0-1-352                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 820         | 851       | 801       |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 232         | 201       | 201       |

**TRADE ADJUSTMENT ASSISTANCE FOR FARMERS**

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

| Identification code 12-1406-0-1-351                | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>            |             |           |           |
| 0001 Trade Adjustment Assistance for Farmers ..... | 22          |           |           |

TRADE ADJUSTMENT ASSISTANCE FOR FARMERS—Continued  
Program and Financing—Continued

| Identification code 12-1406-0-1-351                       | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------|-------------|-----------|-----------|
| 0900 Total new obligations (object class 25.2)            | 22          |           |           |
| <b>Budgetary Resources:</b>                               |             |           |           |
| Budget authority:                                         |             |           |           |
| Appropriations, mandatory:                                |             |           |           |
| 1200 Appropriation                                        | 23          |           |           |
| 1260 Appropriations, mandatory (total)                    | 23          |           |           |
| 1930 Total budgetary resources available                  | 23          |           |           |
| Memorandum (non-add) entries:                             |             |           |           |
| 1940 Unobligated balance expiring                         | -1          |           |           |
| <b>Change in obligated balance:</b>                       |             |           |           |
| Obligated balance, start of year (net):                   |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross)   | 112         | 87        | 4         |
| 3030 Obligations incurred, unexpired accounts             | 22          |           |           |
| 3031 Obligations incurred, expired accounts               | 157         |           |           |
| 3040 Outlays (gross)                                      | -34         | -83       |           |
| 3081 Recoveries of prior year unpaid obligations, expired | -170        |           |           |
| Obligated balance, end of year (net):                     |             |           |           |
| 3090 Unpaid obligations, end of year (gross)              | 87          | 4         | 4         |
| 3100 Obligated balance, end of year (net)                 | 87          | 4         | 4         |
| <b>Budget authority and outlays, net:</b>                 |             |           |           |
| Mandatory:                                                |             |           |           |
| 4090 Budget authority, gross                              | 23          |           |           |
| Outlays, gross:                                           |             |           |           |
| 4100 Outlays from new mandatory authority                 | 6           |           |           |
| 4101 Outlays from mandatory balances                      | 28          | 83        |           |
| 4110 Outlays, gross (total)                               | 34          | 83        |           |
| 4180 Budget authority, net (total)                        | 23          |           |           |
| 4190 Outlays, net (total)                                 | 34          | 83        |           |

The Trade Adjustment Assistance (TAA) for Farmers Program was reauthorized and modified by the American Recovery and Reinvestment Act of 2009 as established by Subtitle C of Title I of the Trade Act of 2002, which amended the Trade Act of 1974. The statute authorized appropriations to the Department of Agriculture not to exceed \$90 million each year for 2009 and for 2010 and \$22.5 million for the period beginning October 1, 2010 and ending December 31, 2010 to carry out the program. Section 101 of the Omnibus Trade Act of 2010 (Public Law 111-344) amended this statute by providing \$10.4 million for a 6-week period beginning January 1, 2011 and ending February 12, 2011. Title II of Public Law 112-40, the Trade Adjustment Assistance Extension Act of 2011, extends the authority for the program and authorizes appropriations of \$90 million for 2012 and 2013, and \$22.5 million for the period October 1, 2013 through December 31, 2013. The 2013 Budget does not request funding for the program.

The statute requires the Secretary of Agriculture (the Secretary) to provide assistance to eligible producers of agricultural commodities and fishermen when production in the most recent marketing year yields less than 85 percent of the average national price, production quantity, value of production, or cash receipts for such commodity for the 3 preceding marketing years, and increases in imports contributed importantly to such declines, as determined by the Secretary. The TAA for Farmers program provides producers of raw agricultural commodities and fishermen, who have been adversely affected by import competition, free technical assistance, the reimbursement of certain travel and per diem costs associated with training, and cash benefits of up to \$12,000 for costs linked to the development and implementation of business adjustment plans. The program covers farmers, livestock

producers, fish farmers, and fishermen competing with like or directly competitive imported products.

FOREIGN ASSISTANCE PROGRAMS

USDA has multiple food aid programs that provide U.S. commodities, technical and financial assistance to address hunger and malnutrition needs worldwide. USDA, working with USAID, delivers food aid programs to meet emergency needs and fosters economic development activities to alleviate global food insecurity.

SUMMARY OF FOOD ASSISTANCE PROGRAMMING

|                                                                                       | [In millions of dollars] |                |                |
|---------------------------------------------------------------------------------------|--------------------------|----------------|----------------|
|                                                                                       | 2011 actual              | 2012 est.      | 2013 est.      |
| McGovern-Dole International Food for Education and Child Nutrition (budget authority) | 199                      | 184            | 184            |
| Food For Peace Act:                                                                   |                          |                |                |
| Title I Credit (budget authority)                                                     | 0                        | 0              | 0              |
| Title II Grants (budget authority)                                                    | 1,497                    | 1,466          | 1,400          |
| Food for Progress:                                                                    |                          |                |                |
| CCC Funded                                                                            | 162                      | 178            | 178            |
| Title I Funded (budget authority)                                                     | 28                       | 0              | 0              |
| Bill Emerson Humanitarian Trust                                                       | 0                        | 0 <sup>1</sup> | 0 <sup>1</sup> |
| Local and Regional Food Aid Procurement Program                                       | 23                       | 5              | 0              |

<sup>1</sup>Assets of the trust can be released any time the Administrator of the U.S. Agency for International Development determines that Title II of the Food for Peace Act funding for emergency needs is inadequate to meet these needs in any fiscal year.

Included in this category are the following activities carried out under Food for Peace Act, also known as Public Law 480 (P.L. 480):

*Financing sales of agricultural commodities to developing countries for dollars on credit terms, or for local currencies (including for local currencies on credit terms) for use under sec. 104; and for furnishing commodities to carry out the Food for Progress Act of 1985, as amended (Title I).*—Funds appropriated for P.L. 480 are used to finance all sales made pursuant to agreements concluded under the authority of Title I. No 2013 funding is requested for new direct credit under Title I; however, funding for administrative expenses associated with managing the existing loan portfolio is requested. No funding is requested for Title I ocean freight differential for 2013.

Sales are made to developing countries as defined in section 402(5) of P.L. 480 and must not displace expected commercial sales (secs. 403(e) and (h)). Agreements are made with developing countries for delivery in accordance with the terms of the agreement.

Payment by developing countries or private entities may be made over a period of not more than 30 years with a deferral of principal payments for up to five years. Interest accrues at a concessional rate as determined appropriate.

Section 411 of P.L. 480 authorizes the President to waive payments of principal and interest under dollar credit sales agreements for countries that meet certain enumerated requirements. Such debt relief may be provided only if the President notifies Congress and may not exceed the amount approved for such purpose in an Act appropriating funds to carry out P.L. 480.

Payment by a recipient country may be made in local currencies for use in carrying out activities under section 104 of P.L. 480.

Foreign currency received in payment for credit extended may be used for payment of U.S. obligations abroad, subject to the appropriation process. The P.L. 480 program is reimbursed for the dollar value of currencies so used.

The financing of sales of agricultural commodities for local currencies on credit terms is subject to the same terms that are applicable to dollar credit financing.

Funds appropriated to carry out Title I may be used to furnish commodities to carry out the Food for Progress Act of 1985. Such

commodities may be furnished on credit terms or on a grant basis in order to assist developing countries and countries that are emerging democracies that have made a commitment to introduce and expand free enterprise elements in their agricultural economies.

*Commodities supplied in connection with dispositions abroad (Title II).*—Under Public Law 480 Title II, agricultural commodities are furnished to meet emergency relief needs and address the underlying causes of food insecurity through non-emergency programs. The Commodity Credit Corporation (the Corporation) is authorized to pay the costs of acquisition, packaging, processing, enrichment, preservation, fortification, transportation, handling, and other incidental costs incurred up to the time of delivery at U.S. ports. The Corporation also pays ocean freight charges, and pays transportation costs to points of entry other than ports in the case of landlocked countries, where carriers to a specific country are not available, where ports cannot be used effectively, or where a substantial savings in costs or time can be effected, and pays general average contributions arising from ocean transport. In addition, transportation costs from designated points of entry or ports of entry abroad to storage and distribution sites and associated storage and distribution costs may be paid for commodities made available to meet urgent and extraordinary relief requirements. P.L. 480 funds reimburse the Corporation for all of the cost items authorized above.

MCGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM GRANTS

For necessary expenses to carry out the provisions of section 3107 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o-1), **[\$184,000,000]** \$184,000,000, to remain available until expended: *Provided*, That the Commodity Credit Corporation is authorized to provide the services, facilities, and authorities for the purpose of implementing such section, subject to reimbursement from amounts provided herein. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-2903-0-1-151                                                 | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                             |             |           |           |
| 0001 McGovern-Dole International Food for Education & Child Nutrition Program ..... | 260         | 184       | 184       |
| 0801 Reimbursable program activity .....                                            | 54          | 12        | 12        |
| 0900 Total new obligations .....                                                    | 314         | 196       | 196       |
| <b>Budgetary Resources:</b>                                                         |             |           |           |
| Unobligated balance:                                                                |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                               | 86          | 33        | 21        |
| 1021 Recoveries of prior year unpaid obligations .....                              | 7           |           |           |
| 1050 Unobligated balance (total) .....                                              | 93          | 33        | 21        |
| Budget authority:                                                                   |             |           |           |
| Appropriations, discretionary:                                                      |             |           |           |
| 1100 Appropriation .....                                                            | 200         | 184       | 184       |
| 1160 Appropriation, discretionary (total) .....                                     | 200         | 184       | 184       |
| Spending authority from offsetting collections, discretionary:                      |             |           |           |
| 1700 Collected .....                                                                | 54          |           |           |
| 1750 Spending auth from offsetting collections, disc (total) .....                  | 54          |           |           |
| 1900 Budget authority (total) .....                                                 | 254         | 184       | 184       |
| 1930 Total budgetary resources available .....                                      | 347         | 217       | 205       |
| Memorandum (non-add) entries:                                                       |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                               | 33          | 21        | 9         |
| <b>Change in obligated balance:</b>                                                 |             |           |           |
| Obligated balance, start of year (net):                                             |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....                       | 52          | 16        | 16        |
| 3030 Obligations incurred, unexpired accounts .....                                 | 314         | 196       | 196       |
| 3040 Outlays (gross) .....                                                          | -343        | -196      | -202      |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....                   | -7          |           |           |

|                                                     |                                                                                        |     |     |     |
|-----------------------------------------------------|----------------------------------------------------------------------------------------|-----|-----|-----|
| 3090                                                | Obligated balance, end of year (net):<br>Unpaid obligations, end of year (gross) ..... | 16  | 16  | 10  |
| 3100                                                | Obligated balance, end of year (net) .....                                             | 16  | 16  | 10  |
| <b>Budget authority and outlays, net:</b>           |                                                                                        |     |     |     |
| Discretionary:                                      |                                                                                        |     |     |     |
| 4000                                                | Budget authority, gross .....                                                          | 254 | 184 | 184 |
| Outlays, gross:                                     |                                                                                        |     |     |     |
| 4010                                                | Outlays from new discretionary authority .....                                         | 197 | 184 | 184 |
| 4011                                                | Outlays from discretionary balances .....                                              | 146 | 12  | 18  |
| 4020                                                | Outlays, gross (total) .....                                                           | 343 | 196 | 202 |
| Offsets against gross budget authority and outlays: |                                                                                        |     |     |     |
| Offsetting collections (collected) from:            |                                                                                        |     |     |     |
| 4030                                                | Federal sources .....                                                                  | -48 |     |     |
| 4033                                                | Non-Federal sources .....                                                              | -6  |     |     |
| 4040                                                | Offsets against gross budget authority and outlays (total) ...                         | -54 |     |     |
| 4070                                                | Budget authority, net (discretionary) .....                                            | 200 | 184 | 184 |
| 4080                                                | Outlays, net (discretionary) .....                                                     | 289 | 196 | 202 |
| 4180                                                | Budget authority, net (total) .....                                                    | 200 | 184 | 184 |
| 4190                                                | Outlays, net (total) .....                                                             | 289 | 196 | 202 |

The McGovern-Dole International Food for Education and Child Nutrition Program, as amended, is authorized under the Farm Security and Rural Investment Act of 2002 (Public Law 107-171). The program provides for the donation of U.S. agricultural commodities and associated technical and financial assistance to carry out preschool and school feeding programs in foreign countries in order to improve food security, reduce the incidence of hunger and malnutrition, and improve literacy and primary education. Maternal, infant, and child nutrition programs also are authorized. The 2013 Budget includes \$184 million, which maintains the 2012 enacted level.

Object Classification (in millions of dollars)

| Identification code 12-2903-0-1-151                                 | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------|-------------|-----------|-----------|
| 41.0 Direct obligations: Grants, subsidies, and contributions ..... | 260         | 184       | 184       |
| 99.0 Reimbursable obligations .....                                 | 54          | 12        | 12        |
| 99.9 Total new obligations .....                                    | 314         | 196       | 196       |

PUBLIC LAW 480 TITLE I OCEAN FREIGHT DIFFERENTIAL GRANTS

Program and Financing (in millions of dollars)

| Identification code 12-2271-0-1-351                                  | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                              |             |           |           |
| 0001 Direct program activity .....                                   | 3           |           |           |
| 0900 Total new obligations (object class 25.3) .....                 | 3           |           |           |
| <b>Budgetary Resources:</b>                                          |             |           |           |
| Unobligated balance:                                                 |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                | 6           | 3         |           |
| Budget authority:                                                    |             |           |           |
| Appropriations, discretionary:                                       |             |           |           |
| 1131 Unobligated balance of appropriations permanently reduced ..... |             | -3        |           |
| 1160 Appropriation, discretionary (total) .....                      |             | -3        |           |
| 1900 Budget authority (total) .....                                  |             | -3        |           |
| 1930 Total budgetary resources available .....                       | 6           |           |           |
| Memorandum (non-add) entries:                                        |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                | 3           |           |           |
| <b>Change in obligated balance:</b>                                  |             |           |           |
| Obligated balance, start of year (net):                              |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....        |             | 3         |           |
| 3030 Obligations incurred, unexpired accounts .....                  | 3           |           |           |
| 3040 Outlays (gross) .....                                           |             | -3        |           |
| Obligated balance, end of year (net):                                |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                   | 3           |           |           |
| 3100 Obligated balance, end of year (net) .....                      | 3           |           |           |

**PUBLIC LAW 480 TITLE I OCEAN FREIGHT DIFFERENTIAL GRANTS—Continued**  
**Program and Financing—Continued**

| Identification code 12-2271-0-1-351                 | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------|-------------|-----------|-----------|
| <b>Budget authority and outlays, net:</b>           |             |           |           |
| Discretionary:                                      |             |           |           |
| 4000 Budget authority, gross .....                  |             | -3        |           |
| Mandatory:                                          |             |           |           |
| Outlays, gross:                                     |             |           |           |
| 4101 Outlays from mandatory balances .....          |             | 3         |           |
| Offsets against gross budget authority and outlays: |             |           |           |
| Offsetting collections (collected) from:            |             |           |           |
| 4180 Budget authority, net (total) .....            |             | -3        |           |
| 4190 Outlays, net (total) .....                     |             | 3         |           |

This account funds the title I ocean freight differential program. No funding is requested for 2013.

**FOOD FOR PEACE TITLE II GRANTS**

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Food for Peace Act (Public Law 83-480, as amended), for commodities supplied in connection with dispositions abroad under title II of said Act, **[\$1,466,000,000] \$1,400,000,000**, to remain available until expended, of which up to \$6,500,000 shall be for costs for services provided by the Farm Service Agency, and which shall be available in addition to other funds available for such purpose. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)

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

| Identification code 12-2278-0-1-151                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                            |             |           |           |
| 0002 Title II Grants .....                                         | 1,735       | 1,659     | 1,393     |
| 0003 Title II Administrative Expenses .....                        |             |           | 7         |
| 0799 Total direct obligations .....                                | 1,735       | 1,659     | 1,400     |
| 0801 Reimbursable program .....                                    | 91          | 89        | 100       |
| 0900 Total new obligations .....                                   | 1,826       | 1,748     | 1,500     |
| <b>Budgetary Resources:</b>                                        |             |           |           |
| Unobligated balance:                                               |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....              | 261         | 193       |           |
| 1021 Recoveries of prior year unpaid obligations .....             | 222         |           |           |
| 1050 Unobligated balance (total) .....                             | 483         | 193       |           |
| Budget authority:                                                  |             |           |           |
| Appropriations, discretionary:                                     |             |           |           |
| 1100 Appropriation .....                                           | 1,500       | 1,466     | 1,400     |
| 1130 Appropriations permanently reduced .....                      | -3          |           |           |
| 1160 Appropriation, discretionary (total) .....                    | 1,497       | 1,466     | 1,400     |
| Spending authority from offsetting collections, discretionary:     |             |           |           |
| 1700 Collected .....                                               | 4           |           |           |
| 1750 Spending auth from offsetting collections, disc (total) ..... | 4           |           |           |
| Spending authority from offsetting collections, mandatory:         |             |           |           |
| 1800 Collected .....                                               | 90          | 89        | 100       |
| 1801 Change in uncollected payments, Federal sources .....         | -55         |           |           |
| 1850 Spending auth from offsetting collections, mand (total) ..... | 35          | 89        | 100       |
| 1900 Budget authority (total) .....                                | 1,536       | 1,555     | 1,500     |
| 1930 Total budgetary resources available .....                     | 2,019       | 1,748     | 1,500     |
| Memorandum (non-add) entries:                                      |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....              | 193         |           |           |
| <b>Change in obligated balance:</b>                                |             |           |           |
| Obligated balance, start of year (net):                            |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....      | 1,556       | 1,520     | 1,380     |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....  | -75         | -20       | -20       |
| 3020 Obligated balance, start of year (net) .....                  | 1,481       | 1,500     | 1,360     |
| 3030 Obligations incurred, unexpired accounts .....                | 1,826       | 1,748     | 1,500     |
| 3040 Outlays (gross) .....                                         | -1,640      | -1,888    | -1,537    |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....     | 55          |           |           |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....  | -222        |           |           |
| Obligated balance, end of year (net):                              |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                 | 1,520       | 1,380     | 1,343     |

|                                                                |       |       |       |
|----------------------------------------------------------------|-------|-------|-------|
| 3091 Uncollected pymts, Fed sources, end of year .....         | -20   | -20   | -20   |
| 3100 Obligated balance, end of year (net) .....                | 1,500 | 1,360 | 1,323 |
| <b>Budget authority and outlays, net:</b>                      |       |       |       |
| Discretionary:                                                 |       |       |       |
| 4000 Budget authority, gross .....                             | 1,501 | 1,466 | 1,400 |
| Outlays, gross:                                                |       |       |       |
| 4010 Outlays from new discretionary authority .....            | 344   | 770   | 738   |
| 4011 Outlays from discretionary balances .....                 | 1,206 | 1,029 | 699   |
| 4020 Outlays, gross (total) .....                              | 1,550 | 1,799 | 1,437 |
| Offsets against gross budget authority and outlays:            |       |       |       |
| Offsetting collections (collected) from:                       |       |       |       |
| 4033 Non-Federal sources .....                                 | -4    |       |       |
| Mandatory:                                                     |       |       |       |
| 4090 Budget authority, gross .....                             | 35    | 89    | 100   |
| Outlays, gross:                                                |       |       |       |
| 4100 Outlays from new mandatory authority .....                | 35    | 89    | 100   |
| 4101 Outlays from mandatory balances .....                     | 55    |       |       |
| 4110 Outlays, gross (total) .....                              | 90    | 89    | 100   |
| Offsets against gross budget authority and outlays:            |       |       |       |
| Offsetting collections (collected) from:                       |       |       |       |
| 4120 Federal sources .....                                     | -90   | -89   | -100  |
| Additional offsets against gross budget authority only:        |       |       |       |
| 4140 Change in uncollected pymts, Fed sources, unexpired ..... | 55    |       |       |
| 4180 Budget authority, net (total) .....                       | 1,497 | 1,466 | 1,400 |
| 4190 Outlays, net (total) .....                                | 1,546 | 1,799 | 1,437 |

This account funds the grant component of Public Law 480. Under Title II, agricultural commodities are furnished to meet emergency relief needs and address the underlying causes of food insecurity through non-emergency programs.

The Commodity Credit Corporation (Corporation) is authorized to pay the costs of acquisition, packaging, processing, enrichment, preservation, fortification, transportation, handling, and other incidental costs incurred up to the time of delivery at U.S. ports. The Corporation also pays ocean freight charges, and pays transportation costs to points of entry other than ports in the case of landlocked countries, where carriers to a specific country are not available, where ports cannot be used effectively, or where a substantial savings in costs or time can be effected, and pays general average contributions arising from ocean transport. In addition, transportation costs from designated points of entry or ports of entry abroad to storage and distribution sites and associated storage and distribution costs may be paid for commodities made available under this title for non-emergency assistance for least-developed countries and for urgent and extraordinary relief. The 2013 Budget includes \$1.4 billion for Title II grants, which is \$66 million less than the 2012 appropriation, but up to \$366 million is requested in International Disaster Assistance for emergency food responses, compared to \$300 million in 2012.

The program is administered by the U.S. Agency for International Development.

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

| Identification code 12-2278-0-1-151                      | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                      |             |           |           |
| 25.3 Other goods and services from Federal sources ..... |             |           | 7         |
| 41.0 Grants, subsidies, and contributions .....          | 1,735       | 1,659     | 1,393     |
| 99.0 Direct obligations .....                            | 1,735       | 1,659     | 1,400     |
| 99.0 Reimbursable obligations .....                      | 91          | 89        | 100       |
| 99.9 Total new obligations .....                         | 1,826       | 1,748     | 1,500     |

**FOOD FOR PEACE TITLE I DIRECT CREDIT AND FOOD FOR PROGRESS PROGRAM ACCOUNT**

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the credit program of title I, Food for Peace Act (Public Law 83-480) and the Food for Progress Act

of 1985, **[\$2,500,000]** \$2,806,000, which shall be [transferred to and merged with] paid to the appropriation for "Farm Service Agency, Salaries and Expenses": *Provided*, That funds made available for the cost of agreements under title I of the Agricultural Trade Development and Assistance Act of 1954 and for title I ocean freight differential may be used interchangeably between the two accounts with prior notice to the Committees on Appropriations of both Houses of Congress. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

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

| Identification code 12-2277-0-1-351                                  | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                              |             |           |           |
| 0010 Food for Progress grants .....                                  | 29          |           |           |
| Credit program obligations:                                          |             |           |           |
| 0705 Reestimates of direct loan subsidy .....                        | 22          | 20        |           |
| 0706 Interest on reestimates of direct loan subsidy .....            | 29          | 18        |           |
| 0709 Administrative expenses .....                                   | 3           | 3         | 3         |
| 0791 Direct program activities, subtotal .....                       | 54          | 41        | 3         |
| 0900 Total new obligations .....                                     | 83          | 41        | 3         |
| <b>Budgetary Resources:</b>                                          |             |           |           |
| Unobligated balance:                                                 |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                | 13          | 2         |           |
| 1021 Recoveries of prior year unpaid obligations .....               | 18          |           |           |
| 1050 Unobligated balance (total) .....                               | 31          | 2         |           |
| Budget authority:                                                    |             |           |           |
| Appropriations, discretionary:                                       |             |           |           |
| 1100 Appropriation .....                                             | 3           | 3         | 3         |
| 1131 Unobligated balance of appropriations permanently reduced ..... |             | -2        |           |
| 1160 Appropriation, discretionary (total) .....                      | 3           | 1         | 3         |
| Appropriations, mandatory:                                           |             |           |           |
| 1200 Appropriation .....                                             | 51          | 38        |           |
| 1260 Appropriations, mandatory (total) .....                         | 51          | 38        |           |
| 1900 Budget authority (total) .....                                  | 54          | 39        | 3         |
| 1930 Total budgetary resources available .....                       | 85          | 41        | 3         |
| Memorandum (non-add) entries:                                        |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                | 2           |           |           |
| <b>Change in obligated balance:</b>                                  |             |           |           |
| Obligated balance, start of year (net):                              |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....        | 42          | 26        | 2         |
| 3030 Obligations incurred, unexpired accounts .....                  | 83          | 41        | 3         |
| 3040 Outlays (gross) .....                                           | -81         | -65       | -3        |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....    | -18         |           |           |
| Obligated balance, end of year (net):                                |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                   | 26          | 2         | 2         |
| 3100 Obligated balance, end of year (net) .....                      | 26          | 2         | 2         |
| <b>Budget authority and outlays, net:</b>                            |             |           |           |
| Discretionary:                                                       |             |           |           |
| 4000 Budget authority, gross .....                                   | 3           | 1         | 3         |
| Outlays, gross:                                                      |             |           |           |
| 4010 Outlays from new discretionary authority .....                  | 3           | 1         | 3         |
| 4011 Outlays from discretionary balances .....                       | 27          | 26        |           |
| 4020 Outlays, gross (total) .....                                    | 30          | 27        | 3         |
| Mandatory:                                                           |             |           |           |
| 4090 Budget authority, gross .....                                   | 51          | 38        |           |
| Outlays, gross:                                                      |             |           |           |
| 4100 Outlays from new mandatory authority .....                      | 51          | 38        |           |
| 4180 Budget authority, net (total) .....                             | 54          | 39        | 3         |
| 4190 Outlays, net (total) .....                                      | 81          | 65        | 3         |

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

| Identification code 12-2277-0-1-351                     | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------|-------------|-----------|-----------|
| Direct loan upward reestimates:                         |             |           |           |
| 135001 P. L. 480 title I loans .....                    | 51          | 38        |           |
| 135999 Total upward reestimate budget authority .....   | 51          | 38        |           |
| Direct loan downward reestimates:                       |             |           |           |
| 137001 P. L. 480 title I loans .....                    | -11         | -10       |           |
| 137999 Total downward reestimate budget authority ..... | -11         | -10       |           |

| Administrative expense data:          |   |   |   |
|---------------------------------------|---|---|---|
| 3510 Budget authority .....           | 3 | 3 | 3 |
| 3590 Outlays from new authority ..... | 3 | 3 | 3 |

As required by the Federal Credit Reform Act of 1990, this account records, for the P.L. 480 Program, the subsidy costs associated with the direct credit obligated in 1992 and beyond (including modifications of direct credit agreements that resulted from obligation in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; and the administrative expenses and grants are estimated on a cash basis. The current balance of Title I debt owed to USDA is \$5.6 billion. No additional funding is requested for new Title I credit financing in 2013. Food for Progress grants will continue to be funded from the Commodity Credit Corporation. The 2013 Budget includes \$2.8 million for administrative expenses, which is \$0.3 million over the 2012 enacted level.

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

| Identification code 12-2277-0-1-351                      | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                      |             |           |           |
| 25.3 Other goods and services from Federal sources ..... | 3           | 3         | 3         |
| 41.0 Grants, subsidies, and contributions .....          | 80          | 38        |           |
| 99.9 Total new obligations .....                         | 83          | 41        | 3         |

**P.L. 480 DIRECT CREDIT FINANCING ACCOUNT**

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

| Identification code 12-4049-0-3-351                                             | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                         |             |           |           |
| Credit program obligations:                                                     |             |           |           |
| 0713 Payment of interest to Treasury .....                                      | 65          | 65        | 65        |
| 0742 Downward reestimate paid to receipt account .....                          | 5           | 1         |           |
| 0743 Interest on downward reestimates .....                                     | 6           | 9         |           |
| 0900 Total new obligations .....                                                | 76          | 75        | 65        |
| <b>Budgetary Resources:</b>                                                     |             |           |           |
| Unobligated balance:                                                            |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                           | 634         | 167       | 190       |
| 1020 Adjustment of unobligated bal brought forward, Oct 1 .....                 | -551        |           |           |
| 1050 Unobligated balance (total) .....                                          | 83          | 167       | 190       |
| Financing authority:                                                            |             |           |           |
| Borrowing authority, mandatory:                                                 |             |           |           |
| 1400 Borrowing authority .....                                                  | 1           | 60        | 60        |
| 1440 Borrowing authority, mandatory (total) .....                               | 1           | 60        | 60        |
| Spending authority from offsetting collections, mandatory:                      |             |           |           |
| 1800 Collected .....                                                            | 160         | 145       | 107       |
| 1801 Change in uncollected payments, Federal sources .....                      | -1          |           |           |
| 1825 Spending authority from offsetting collections applied to repay debt ..... |             | -107      | -95       |
| 1850 Spending auth from offsetting collections, mand (total) .....              | 159         | 38        | 12        |
| 1900 Financing authority (total) .....                                          | 160         | 98        | 72        |
| 1930 Total budgetary resources available .....                                  | 243         | 265       | 262       |
| Memorandum (non-add) entries:                                                   |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                           | 167         | 190       | 197       |

| <b>Change in obligated balance:</b>                               |     |     |     |
|-------------------------------------------------------------------|-----|-----|-----|
| Obligated balance, start of year (net):                           |     |     |     |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -43 | -42 | -42 |
| 3020 Obligated balance, start of year (net) .....                 | -43 | -42 | -42 |
| 3030 Obligations incurred, unexpired accounts .....               | 76  | 75  | 65  |
| 3040 Financing disbursements (gross) .....                        | -76 | -75 | -60 |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....    | 1   |     |     |
| Obligated balance, end of year (net):                             |     |     |     |
| 3090 Unpaid obligations, end of year (gross) .....                |     |     | 5   |
| 3091 Uncollected pymts, Fed sources, end of year .....            | -42 | -42 | -42 |
| 3100 Obligated balance, end of year (net) .....                   | -42 | -42 | -37 |

P.L. 480 DIRECT CREDIT FINANCING ACCOUNT—Continued  
Program and Financing—Continued

| Identification code 12-4049-0-3-351                                  | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Financing authority and disbursements, net:</b>                   |             |           |           |
| Mandatory:                                                           |             |           |           |
| 4090                                                                 | 160         | 98        | 72        |
| Financing authority, gross .....                                     |             |           |           |
| Financing disbursements:                                             |             |           |           |
| 4110                                                                 | 76          | 75        | 60        |
| Financing disbursements, gross .....                                 |             |           |           |
| Offsets against gross financing authority and disbursements:         |             |           |           |
| Offsetting collections (collected) from:                             |             |           |           |
| 4120                                                                 | -51         | -38       |           |
| Payments from program account .....                                  |             |           |           |
| 4122                                                                 | -9          | -1        | -1        |
| Interest on uninvested funds .....                                   |             |           |           |
| 4123                                                                 | -25         | -24       | -24       |
| Interest received on loans .....                                     |             |           |           |
| 4123                                                                 | -75         | -82       | -82       |
| Principal received on loans .....                                    |             |           |           |
| 4130                                                                 |             |           |           |
| Offsets against gross financing auth and disbursements (total) ..... |             |           |           |
|                                                                      | -160        | -145      | -107      |
| Additional offsets against financing authority only (total):         |             |           |           |
| 4140                                                                 | 1           |           |           |
| Change in uncollected pymts, Fed sources, unexpired .....            |             |           |           |
| 4160                                                                 | 1           | -47       | -35       |
| Financing authority, net (mandatory) .....                           |             |           |           |
| 4170                                                                 | -84         | -70       | -47       |
| Financing disbursements, net (mandatory) .....                       |             |           |           |
| 4180                                                                 | 1           | -47       | -35       |
| Financing authority, net (total) .....                               |             |           |           |
| 4190                                                                 | -84         | -70       | -47       |
| Financing disbursements, net (total) .....                           |             |           |           |

Status of Direct Loans (in millions of dollars)

| Identification code 12-4049-0-3-351             | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------|-------------|-----------|-----------|
| Cumulative balance of direct loans outstanding: |             |           |           |
| 1210                                            | 1,215       | 1,140     | 1,054     |
| Outstanding, start of year .....                |             |           |           |
| 1251                                            | -75         | -86       | -86       |
| Repayments: Repayments and prepayments .....    |             |           |           |
| 1290                                            | 1,140       | 1,054     | 968       |
| Outstanding, end of year .....                  |             |           |           |

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

Balance Sheet (in millions of dollars)

| Identification code 12-4049-0-3-351                               | 2010 actual | 2011 actual |
|-------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                    |             |             |
| 1101                                                              | 39          | 124         |
| Federal assets: Fund balances with Treasury .....                 |             |             |
| Net value of assets related to post-1991 direct loans receivable: |             |             |
| 1401                                                              | 1,215       | 1,140       |
| Direct loans receivable, gross .....                              |             |             |
| 1402                                                              | 17          | 43          |
| Interest receivable .....                                         |             |             |
| 1405                                                              | -285        | -252        |
| Allowance for subsidy cost (-) .....                              |             |             |
| 1499                                                              | 947         | 931         |
| Net present value of assets related to direct loans .....         |             |             |
| 1901                                                              | 65          | 45          |
| Other Federal assets: Accounts Receivable .....                   |             |             |
| 1999                                                              | 1,051       | 1,100       |
| Total assets .....                                                |             |             |
| <b>LIABILITIES:</b>                                               |             |             |
| Federal liabilities:                                              |             |             |
| 2103                                                              | 1,041       | 1,042       |
| Debt .....                                                        |             |             |
| 2104                                                              | 10          |             |
| Resources payable to Treasury .....                               |             |             |
| 2105                                                              |             | 58          |
| Other .....                                                       |             |             |
| 2999                                                              | 1,051       | 1,100       |
| Total liabilities .....                                           |             |             |
| 4999                                                              | 1,051       | 1,100       |
| Total upward reestimate subsidy BA [12-2277] .....                |             |             |

DEBT REDUCTION—FINANCING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-4143-0-3-351     | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b> |             |           |           |
| Credit program obligations:             |             |           |           |
| 0713                                    | 6           | 5         | 5         |
| Payment of interest to Treasury .....   |             |           |           |
| 0900                                    | 6           | 5         | 5         |
| Total new obligations .....             |             |           |           |

Budgetary Resources:

|                                                               |     |     |     |
|---------------------------------------------------------------|-----|-----|-----|
| Unobligated balance:                                          |     |     |     |
| 1000                                                          | 99  | 92  | 102 |
| Unobligated balance brought forward, Oct 1 .....              |     |     |     |
| 1020                                                          | -21 |     |     |
| Adjustment of unobligated bal brought forward, Oct 1 .....    |     |     |     |
| 1023                                                          |     | -3  | -3  |
| Unobligated balances applied to repay debt .....              |     |     |     |
| 1050                                                          | 78  | 89  | 99  |
| Unobligated balance (total) .....                             |     |     |     |
| Financing authority:                                          |     |     |     |
| Borrowing authority, mandatory:                               |     |     |     |
| 1400                                                          | 2   |     |     |
| Borrowing authority .....                                     |     |     |     |
| 1440                                                          | 2   |     |     |
| Borrowing authority, mandatory (total) .....                  |     |     |     |
| Spending authority from offsetting collections, mandatory:    |     |     |     |
| 1800                                                          | 18  | 18  | 18  |
| Collected .....                                               |     |     |     |
| 1850                                                          | 18  | 18  | 18  |
| Spending auth from offsetting collections, mand (total) ..... |     |     |     |
| 1900                                                          | 20  | 18  | 18  |
| Financing authority (total) .....                             |     |     |     |
| 1930                                                          | 98  | 107 | 117 |
| Total budgetary resources available .....                     |     |     |     |
| Memorandum (non-add) entries:                                 |     |     |     |
| 1941                                                          | 92  | 102 | 112 |
| Unexpired unobligated balance, end of year .....              |     |     |     |

Change in obligated balance:

|                                                |    |    |    |
|------------------------------------------------|----|----|----|
| 3030                                           | 6  | 5  | 5  |
| Obligations incurred, unexpired accounts ..... |    |    |    |
| 3040                                           | -6 | -5 | -5 |
| Financing disbursements (gross) .....          |    |    |    |

Financing authority and disbursements, net:

|                                                                      |     |     |     |
|----------------------------------------------------------------------|-----|-----|-----|
| Mandatory:                                                           |     |     |     |
| 4090                                                                 | 20  | 18  | 18  |
| Financing authority, gross .....                                     |     |     |     |
| Financing disbursements:                                             |     |     |     |
| 4110                                                                 | 6   | 5   | 5   |
| Financing disbursements, gross .....                                 |     |     |     |
| Offsets against gross financing authority and disbursements:         |     |     |     |
| Offsetting collections (collected) from:                             |     |     |     |
| 4122                                                                 | -3  | -2  | -2  |
| Interest on uninvested funds .....                                   |     |     |     |
| 4123                                                                 | -11 | -12 | -12 |
| Loan Repayments - Principal .....                                    |     |     |     |
| 4123                                                                 | -4  | -4  | -4  |
| Loan Repayments- Interest .....                                      |     |     |     |
| 4130                                                                 |     |     |     |
| Offsets against gross financing auth and disbursements (total) ..... |     |     |     |
|                                                                      | -18 | -18 | -18 |
| 4160                                                                 | 2   |     |     |
| Financing authority, net (mandatory) .....                           |     |     |     |
| 4170                                                                 | -12 | -13 | -13 |
| Financing disbursements, net (mandatory) .....                       |     |     |     |
| 4180                                                                 | 2   |     |     |
| Financing authority, net (total) .....                               |     |     |     |
| 4190                                                                 | -12 | -13 | -13 |
| Negative subsidy BA total [11-0091] .....                            |     |     |     |

Status of Direct Loans (in millions of dollars)

| Identification code 12-4143-0-3-351             | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------|-------------|-----------|-----------|
| Cumulative balance of direct loans outstanding: |             |           |           |
| 1210                                            | 258         | 247       | 235       |
| Outstanding, start of year .....                |             |           |           |
| 1251                                            | -11         | -12       | -12       |
| Repayments: Repayments and prepayments .....    |             |           |           |
| 1290                                            | 247         | 235       | 223       |
| Outstanding, end of year .....                  |             |           |           |

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

Balance Sheet (in millions of dollars)

| Identification code 12-4143-0-3-351                               | 2010 actual | 2011 actual |
|-------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                    |             |             |
| 1101                                                              | 78          | 93          |
| Federal assets: Fund balances with Treasury .....                 |             |             |
| Net value of assets related to post-1991 direct loans receivable: |             |             |
| 1401                                                              | 258         | 247         |
| Direct loans receivable, gross .....                              |             |             |
| 1402                                                              | 1           |             |
| Interest receivable .....                                         |             |             |
| 1405                                                              | -226        | -226        |
| Allowance for subsidy cost (-) .....                              |             |             |
| 1499                                                              | 33          | 21          |
| Net present value of assets related to direct loans .....         |             |             |
| 1901                                                              | 8           | 7           |
| Other Federal assets: Accounts Receivable .....                   |             |             |
| 1999                                                              | 119         | 121         |
| Total assets .....                                                |             |             |
| <b>LIABILITIES:</b>                                               |             |             |
| 2104                                                              | 119         | 121         |
| Federal liabilities: Resources payable to Treasury .....          |             |             |
| 4999                                                              | 119         | 121         |
| Total liabilities and net position .....                          |             |             |



EXPENSES, PUBLIC LAW 480, FOREIGN ASSISTANCE PROGRAMS, AGRICULTURE  
LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

| Identification code 12-2274-0-1-151                                                           | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                                       |             |           |           |
| Credit program obligations:                                                                   |             |           |           |
| 0715 Vietnam Education Fund .....                                                             | 3           | 3         | 3         |
| 0900 Total new obligations (object class 41.0) .....                                          | 3           | 3         | 3         |
| <b>Budgetary Resources:</b>                                                                   |             |           |           |
| Unobligated balance:                                                                          |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                                         | 50          | 45        |           |
| 1022 Capital transfer of unobligated balances to general fund .....                           | -50         | -45       |           |
| Budget authority:                                                                             |             |           |           |
| Spending authority from offsetting collections, mandatory:                                    |             |           |           |
| 1800 Offsetting collections (cash) (Principal and interest) .....                             | 381         | 358       | 279       |
| 1820 Capital transfer of spending authority from offsetting collections to general fund ..... | -333        | -355      | -276      |
| 1850 Spending auth from offsetting collections, mand (total) .....                            | 48          | 3         | 3         |
| 1930 Total budgetary resources available .....                                                | 48          | 3         | 3         |
| Memorandum (non-add) entries:                                                                 |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                                         | 45          |           |           |
| <b>Change in obligated balance:</b>                                                           |             |           |           |
| 3030 Obligations incurred, unexpired accounts .....                                           | 3           | 3         | 3         |
| 3040 Outlays (gross) .....                                                                    | -3          | -3        | -3        |
| <b>Budget authority and outlays, net:</b>                                                     |             |           |           |
| Mandatory:                                                                                    |             |           |           |
| 4090 Budget authority, gross .....                                                            | 48          | 3         | 3         |
| Outlays, gross:                                                                               |             |           |           |
| 4100 Outlays from new mandatory authority .....                                               | 3           | 3         | 3         |
| Offsets against gross budget authority and outlays:                                           |             |           |           |
| Offsetting collections (collected) from:                                                      |             |           |           |
| 4123 Principal repayments .....                                                               | -287        | -272      | -214      |
| 4123 Interest repayments .....                                                                | -92         | -86       | -65       |
| 4123 Other Actual Collections Non-Federal .....                                               | -2          |           |           |
| 4130 Offsets against gross budget authority and outlays (total) ....                          | -381        | -358      | -279      |
| 4160 Budget authority, net (mandatory) .....                                                  | -333        | -355      | -276      |
| 4170 Outlays, net (mandatory) .....                                                           | -378        | -355      | -276      |
| 4180 Budget authority, net (total) .....                                                      | -333        | -355      | -276      |
| 4190 Outlays, net (total) .....                                                               | -378        | -355      | -276      |

Status of Direct Loans (in millions of dollars)

| Identification code 12-2274-0-1-151                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| Cumulative balance of direct loans outstanding:                    |             |           |           |
| 1210 Outstanding, start of year .....                              | 4,150       | 3,820     | 3,548     |
| 1251 Repayments: Repayments and prepayments .....                  | -287        | -272      | -214      |
| 1264 Write-offs for default: Other adjustments, net (+ or -) ..... | -43         |           |           |
| 1290 Outstanding, end of year .....                                | 3,820       | 3,548     | 3,334     |

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond is recorded in corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

| Identification code 12-2274-0-1-151                                     | 2010 actual | 2011 actual |
|-------------------------------------------------------------------------|-------------|-------------|
| <b>ASSETS:</b>                                                          |             |             |
| 1101 Federal assets: Fund balances with Treasury .....                  | 50          | 45          |
| 1601 Direct loans, gross .....                                          | 4,150       | 3,820       |
| 1602 Interest receivable .....                                          | 43          | 868         |
| 1603 Allowance for estimated uncollectible loans and interest (-) ..... | -1,494      | -2,005      |
| 1699 Value of assets related to direct loans .....                      | 2,699       | 2,683       |
| 1999 Total assets .....                                                 | 2,749       | 2,728       |
| <b>LIABILITIES:</b>                                                     |             |             |
| 2104 Federal liabilities: Resources payable to Treasury .....           | 2,726       | 1,948       |
| 2207 Non-Federal liabilities: Other .....                               | 23          | 780         |

|                                               |       |       |
|-----------------------------------------------|-------|-------|
| 2999 Total liabilities .....                  | 2,749 | 2,728 |
| 4999 Total liabilities and net position ..... | 2,749 | 2,728 |

**FOOD AND NUTRITION SERVICE**  
*Federal Funds*

NUTRITION PROGRAMS ADMINISTRATION

For necessary administrative expenses of the Food and Nutrition Service for carrying out any domestic nutrition assistance program, **[\$138,500,000] \$143,505,000: Provided, That of the funds provided herein, \$2,000,000 shall be used for the purposes of section 4404 of Public Law 107-171, as amended by section 4401 of Public Law 110-246. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)**

Program and Financing (in millions of dollars)

| Identification code 12-3508-0-1-605                                          | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                      |             |           |           |
| 0001 Nutrition programs administration .....                                 | 147         | 137       | 142       |
| 0003 Congressional hunger center fellowship .....                            | 1           | 2         | 2         |
| 0799 Total direct obligations .....                                          | 148         | 139       | 144       |
| 0801 Reimbursable administrative services provided to Federal agencies ..... | 1           | 1         | 1         |
| 0900 Total new obligations .....                                             | 149         | 140       | 145       |
| <b>Budgetary Resources:</b>                                                  |             |           |           |
| Budget authority:                                                            |             |           |           |
| Appropriations, discretionary:                                               |             |           |           |
| 1100 Appropriation .....                                                     | 149         | 139       | 144       |
| 1160 Appropriation, discretionary (total) .....                              | 149         | 139       | 144       |
| Spending authority from offsetting collections, discretionary:               |             |           |           |
| 1700 Collected .....                                                         | 1           | 1         | 1         |
| 1750 Spending auth from offsetting collections, disc (total) .....           | 1           | 1         | 1         |
| 1900 Budget authority (total) .....                                          | 150         | 140       | 145       |
| 1930 Total budgetary resources available .....                               | 150         | 140       | 145       |
| Memorandum (non-add) entries:                                                |             |           |           |
| 1940 Unobligated balance expiring .....                                      | -1          |           |           |

**Change in obligated balance:**

|                                                                 |      |      |      |
|-----------------------------------------------------------------|------|------|------|
| Obligated balance, start of year (net):                         |      |      |      |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....   | 33   | 32   | 27   |
| 3030 Obligations incurred, unexpired accounts .....             | 149  | 140  | 145  |
| 3031 Obligations incurred, expired accounts .....               | 14   |      |      |
| 3040 Outlays (gross) .....                                      | -150 | -145 | -147 |
| 3081 Recoveries of prior year unpaid obligations, expired ..... | -14  |      |      |
| Obligated balance, end of year (net):                           |      |      |      |
| 3090 Unpaid obligations, end of year (gross) .....              | 32   | 27   | 25   |
| 3100 Obligated balance, end of year (net) .....                 | 32   | 27   | 25   |

**Budget authority and outlays, net:**

|                                                     |     |     |     |
|-----------------------------------------------------|-----|-----|-----|
| Discretionary:                                      |     |     |     |
| 4000 Budget authority, gross .....                  | 150 | 140 | 145 |
| Outlays, gross:                                     |     |     |     |
| 4010 Outlays from new discretionary authority ..... | 128 | 118 | 123 |
| 4011 Outlays from discretionary balances .....      | 22  | 27  | 24  |
| 4020 Outlays, gross (total) .....                   | 150 | 145 | 147 |
| Offsets against gross budget authority and outlays: |     |     |     |
| Offsetting collections (collected) from:            |     |     |     |
| 4030 Federal sources .....                          | -1  | -1  | -1  |
| 4180 Budget authority, net (total) .....            | 149 | 139 | 144 |
| 4190 Outlays, net (total) .....                     | 149 | 144 | 146 |

This account funds the majority of the Federal operating expenses of the Food and Nutrition Service and the Center for Nutrition Policy and Promotion (CNPP). Funding is also provided for the Congressional Hunger Fellows Program.

NUTRITION PROGRAMS ADMINISTRATION—Continued

Object Classification (in millions of dollars)

| Identification code 12-3508-0-1-605                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| <b>Personnel compensation:</b>                                  |             |           |           |
| 11.1 Full-time permanent .....                                  | 95          | 90        | 92        |
| 11.3 Other than full-time permanent .....                       | 1           | 1         | 1         |
| 11.5 Other personnel compensation .....                         | 1           | 1         | 1         |
| 11.9 Total personnel compensation .....                         | 97          | 92        | 94        |
| 12.1 Civilian personnel benefits .....                          | 28          | 26        | 27        |
| 21.0 Travel and transportation of persons .....                 | 2           | 2         | 2         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....              | 17          | 14        | 16        |
| 26.0 Supplies and materials .....                               | 2           | 2         | 2         |
| 41.0 Grants, subsidies, and contributions .....                 | 1           | 2         | 2         |
| 99.0 Direct obligations .....                                   | 148         | 139       | 144       |
| 99.0 Reimbursable obligations .....                             | 1           | 1         | 1         |
| 99.9 Total new obligations .....                                | 149         | 140       | 145       |

Employment Summary

| Identification code 12-3508-0-1-605                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 1,053       | 1,000     | 1,000     |

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

For necessary expenses to carry out the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), **[\$80,401,722,000]** \$81,995,293,000, of which **[\$3,000,000,000]** \$5,000,000,000, to remain available through September 30, **[2013]** 2014, shall be placed in reserve for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided*, That funds provided herein shall be expended in accordance with section 16 of the Food and Nutrition Act of 2008: *Provided further*, That, of the funds made available under this heading, **[\$1,000,000]** \$998,000 may be used to provide nutrition education services to state agencies and Federally recognized tribes participating in the Food Distribution Program on Indian Reservations: *Provided further*, That, of the funds made available under this heading, \$1,498,000 may be available for the Center for Nutrition Policy and Promotion: *Provided further*, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: *Provided further*, That funds made available for Employment and Training under this heading shall remain available until expended, notwithstanding section 16(h)(1) of the Food and Nutrition Act of 2008: *Provided further*, That funds made available under this heading may be used to enter into contracts and employ staff to conduct studies, evaluations, or to conduct activities related to program integrity provided that such activities are authorized by the Food and Nutrition Act of 2008. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-3505-0-1-605                                                              | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                                          |             |           |           |
| 0001 Benefits issued .....                                                                       | 59,813      | 70,335    | 69,885    |
| 0002 State administration .....                                                                  | 2,940       | 3,742     | 3,867     |
| 0003 Employment and training program .....                                                       | 354         | 402       | 406       |
| 0004 Other program costs .....                                                                   | 102         | 121       | 143       |
| 0005 Nutrition Assistance for Puerto Rico .....                                                  | 2,001       | 1,835     | 1,899     |
| 0006 Food Distribution Program on Indian Reservations (Commodities in lieu of food stamps) ..... | 60          | 65        | 61        |
| 0007 Food Distribution Program on Indian Reservations (Cooperator administrative expense) .....  | 37          | 38        | 39        |
| 0008 The Emergency Food Assistance Program (commodities) .....                                   | 247         | 260       | 270       |
| 0009 American Samoa .....                                                                        | 8           | 7         | 8         |
| 0010 Community food project .....                                                                | 5           | 5         | 5         |
| 0011 Commonwealth of the Northern Mariana Islands .....                                          | 12          | 13        | 12        |
| 0012 Nutrition Education Grant Program .....                                                     | 375         | 388       | 396       |
| 0013 Program access .....                                                                        | 5           | 5         | 5         |
| 0016 Health & Nutrition Pilot Projects .....                                                     |             | 3         |           |
| 0017 RA - Benefits issued .....                                                                  | 11,896      | 8,041     | 5,275     |

|                                                                                            |        |        |        |
|--------------------------------------------------------------------------------------------|--------|--------|--------|
| 0019 RA - Nutrition Assistance for Puerto Rico .....                                       | 165    | 101    |        |
| 0020 RA - American Samoa .....                                                             | 1      |        |        |
| 0022 State administrative expense supplemental .....                                       | 192    |        |        |
| 0799 Total direct obligations .....                                                        | 78,047 | 85,426 | 82,372 |
| 0801 Reimbursable program .....                                                            | 56     | 55     | 55     |
| 0900 Total new obligations .....                                                           | 78,103 | 85,481 | 82,427 |
| <b>Budgetary Resources:</b>                                                                |        |        |        |
| <b>Unobligated balance:</b>                                                                |        |        |        |
| 1000 Unobligated balance brought forward, Oct 1 .....                                      | 1,609  | 29     | 2,801  |
| 1020 Adjustment of unobligated bal brought forward, Oct 1 .....                            |        | 3,000  |        |
| 1021 Recoveries of prior year unpaid obligations .....                                     | 63     |        |        |
| 1050 Unobligated balance (total) .....                                                     | 1,672  | 3,029  | 2,801  |
| <b>Budget authority:</b>                                                                   |        |        |        |
| <b>Appropriations, discretionary:</b>                                                      |        |        |        |
| 1100 Appropriation .....                                                                   | 2      | 1      | 2      |
| 1160 Appropriation, discretionary (total) .....                                            | 2      | 1      | 2      |
| <b>Appropriations, mandatory:</b>                                                          |        |        |        |
| 1200 Appropriation .....                                                                   | 67,611 | 80,401 | 81,993 |
| 1200 Appropriation, Recovery Act .....                                                     | 12,272 | 8,207  | 5,376  |
| 1220 Transferred to other accounts [12-3505] .....                                         | -465   | -478   | -486   |
| 1220 Appropriations transferred to other accts [12-3510] .....                             |        | -400   |        |
| 1221 Transferred from other accounts [12-3505] .....                                       | 465    | 478    | 486    |
| 1230 Appropriations and/or unobligated balance of appropriations permanently reduced ..... | -15    | -11    |        |
| 1260 Appropriations, mandatory (total) .....                                               | 79,868 | 88,197 | 87,369 |
| <b>Spending authority from offsetting collections, mandatory:</b>                          |        |        |        |
| 1800 Collected .....                                                                       | 56     | 55     | 55     |
| 1850 Spending auth from offsetting collections, mand (total) .....                         | 56     | 55     | 55     |
| 1900 Budget authority (total) .....                                                        | 79,926 | 88,253 | 87,426 |
| 1930 Total budgetary resources available .....                                             | 81,598 | 91,282 | 90,227 |
| <b>Memorandum (non-add) entries:</b>                                                       |        |        |        |
| 1940 Unobligated balance expiring .....                                                    | -3,466 | -3,000 | -2,790 |
| 1941 Unexpired unobligated balance, end of year .....                                      | 29     | 2,801  | 5,010  |

Change in obligated balance:

|                                                                   |         |         |         |
|-------------------------------------------------------------------|---------|---------|---------|
| <b>Obligated balance, start of year (net):</b>                    |         |         |         |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 2,358   | 2,563   | 2,796   |
| 3030 Obligations incurred, unexpired accounts .....               | 78,103  | 85,481  | 82,427  |
| 3031 Obligations incurred, expired accounts .....                 | 146     |         |         |
| 3040 Outlays (gross) .....                                        | -77,711 | -85,248 | -82,445 |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -63     |         |         |
| 3081 Recoveries of prior year unpaid obligations, expired .....   | -270    |         |         |
| <b>Obligated balance, end of year (net):</b>                      |         |         |         |
| 3090 Unpaid obligations, end of year (gross) .....                | 2,563   | 2,796   | 2,778   |
| 3100 Obligated balance, end of year (net) .....                   | 2,563   | 2,796   | 2,778   |

Budget authority and outlays, net:

|                                                                     |        |        |        |
|---------------------------------------------------------------------|--------|--------|--------|
| <b>Discretionary:</b>                                               |        |        |        |
| 4000 Budget authority, gross .....                                  | 2      | 1      | 2      |
| <b>Outlays, gross:</b>                                              |        |        |        |
| 4010 Outlays from new discretionary authority .....                 | 1      |        | 1      |
| 4011 Outlays from discretionary balances .....                      | 214    | 61     | 1      |
| 4020 Outlays, gross (total) .....                                   | 215    | 61     | 2      |
| <b>Offsets against gross budget authority and outlays:</b>          |        |        |        |
| <b>Offsetting collections (collected) from:</b>                     |        |        |        |
| 4033 Non-Federal sources .....                                      | -1     |        |        |
| <b>Additional offsets against gross budget authority only:</b>      |        |        |        |
| 4052 Offsetting collections credited to expired accounts .....      | 1      |        |        |
| 4070 Budget authority, net (discretionary) .....                    | 2      | 1      | 2      |
| 4080 Outlays, net (discretionary) .....                             | 214    | 61     | 2      |
| <b>Mandatory:</b>                                                   |        |        |        |
| 4090 Budget authority, gross .....                                  | 79,924 | 88,252 | 87,424 |
| <b>Outlays, gross:</b>                                              |        |        |        |
| 4100 Outlays from new mandatory authority .....                     | 75,605 | 82,755 | 79,724 |
| 4101 Outlays from mandatory balances .....                          | 1,891  | 2,432  | 2,719  |
| 4110 Outlays, gross (total) .....                                   | 77,496 | 85,187 | 82,443 |
| <b>Offsets against gross budget authority and outlays:</b>          |        |        |        |
| <b>Offsetting collections (collected) from:</b>                     |        |        |        |
| 4120 Federal sources .....                                          | -17    |        |        |
| 4123 Non-Federal sources .....                                      | -56    | -55    | -55    |
| 4130 Offsets against gross budget authority and outlays (total) ... | -73    | -55    | -55    |
| <b>Additional offsets against gross budget authority only:</b>      |        |        |        |
| 4142 Offsetting collections credited to expired accounts .....      | 17     |        |        |
| 4160 Budget authority, net (mandatory) .....                        | 79,868 | 88,197 | 87,369 |
| 4170 Outlays, net (mandatory) .....                                 | 77,423 | 85,132 | 82,388 |
| 4180 Budget authority, net (total) .....                            | 79,870 | 88,198 | 87,371 |
| 4190 Outlays, net (total) .....                                     | 77,637 | 85,193 | 82,390 |

**Summary of Budget Authority and Outlays** (in millions of dollars)

|                                                | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------|-------------|-----------|-----------|
| <b>Enacted/requested:</b>                      |             |           |           |
| Budget Authority .....                         | 79,870      | 88,198    | 87,371    |
| Outlays .....                                  | 77,637      | 85,193    | 82,390    |
| <b>Legislative proposal, subject to PAYGO:</b> |             |           |           |
| Budget Authority .....                         |             |           | 369       |
| Outlays .....                                  |             |           | 362       |
| <b>Total:</b>                                  |             |           |           |
| Budget Authority .....                         | 79,870      | 88,198    | 87,740    |
| Outlays .....                                  | 77,637      | 85,193    | 82,752    |

The Supplemental Nutrition Assistance Program (SNAP) is the primary source of nutrition assistance for low-income Americans.

This account also includes funds for a grant to Puerto Rico to administer a low-income nutrition assistance program, in lieu of the Supplemental Nutrition Assistance Program; funds to carry out the Emergency Food Assistance Act of 1983; and funds for food distribution and administrative expenses for Native Americans under section 4(b) of the Food and Nutrition Act.

The SNAP contingency fund level holds in reserve about one month's worth of benefits to cover unforeseen events, such as natural disasters and fluctuations in food prices.

The President's Budget includes a proposal to restore SNAP benefit cuts included in The Healthy, Hunger-Free Kids Act of 2010 (P.L. 111-296), which accelerated the sunset date of SNAP Recovery Act benefits to October 31, 2013. This proposal would revert the sunset date back to March 31, 2014, the date these benefits would have expired prior to enactment of The Healthy, Hunger-Free Kids Act of 2010. The Budget also includes a proposal to temporarily suspend participation time limits for certain working-age, low-income adults without dependents for an additional year. This account also includes the effects of the proposal to increase child support pass-through payments to families on TANF, as well as the proposal to extend SSI time limits for qualified refugees. Please refer to the Child Support and SSI accounts for additional detail.

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

| Identification code 12-3505-0-1-605                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| 11.1 Personnel compensation: Full-time permanent .....          | 10          | 15        | 15        |
| 12.1 Civilian personnel benefits .....                          | 3           | 4         | 4         |
| 21.0 Travel and transportation of persons .....                 | 2           | 2         | 2         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 2           | 2         | 3         |
| 24.0 Printing and reproduction .....                            | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....              | 44          | 44        | 45        |
| 26.0 Supplies and materials .....                               | 307         | 327       | 332       |
| 41.0 Grants, subsidies, and contributions .....                 | 77,678      | 85,031    | 81,970    |
| 99.0 Direct obligations .....                                   | 78,047      | 85,426    | 82,372    |
| 99.0 Reimbursable obligations .....                             | 56          | 55        | 55        |
| 99.9 Total new obligations .....                                | 78,103      | 85,481    | 82,427    |

**Employment Summary**

| Identification code 12-3505-0-1-605                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 125         | 166       | 166       |

**SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM**

(Legislative proposal, subject to PAYGO)

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

| Identification code 12-3505-4-1-605     | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b> |             |           |           |
| 0001 Benefits issued .....              |             |           | 369       |

|                                                      |     |
|------------------------------------------------------|-----|
| 0900 Total new obligations (object class 41.0) ..... | 369 |
|------------------------------------------------------|-----|

**Budgetary Resources:**

|                                                |     |
|------------------------------------------------|-----|
| <b>Budget authority:</b>                       |     |
| Appropriations, mandatory:                     |     |
| 1200 Appropriation .....                       | 369 |
| 1260 Appropriations, mandatory (total) .....   | 369 |
| 1900 Budget authority (total) .....            | 369 |
| 1930 Total budgetary resources available ..... | 369 |

**Change in obligated balance:**

|                                                     |      |
|-----------------------------------------------------|------|
| 3030 Obligations incurred, unexpired accounts ..... | 369  |
| 3040 Outlays (gross) .....                          | -362 |
| Obligated balance, end of year (net):               |      |
| 3090 Unpaid obligations, end of year (gross) .....  | 7    |
| 3100 Obligated balance, end of year (net) .....     | 7    |

**Budget authority and outlays, net:**

|                                                     |     |
|-----------------------------------------------------|-----|
| <b>Discretionary:</b>                               |     |
| Offsets against gross budget authority and outlays: |     |
| Offsetting collections (collected) from:            |     |
| <b>Mandatory:</b>                                   |     |
| 4090 Budget authority, gross .....                  | 369 |
| Outlays, gross:                                     |     |
| 4100 Outlays from new mandatory authority .....     | 362 |
| Offsets against gross budget authority and outlays: |     |
| Offsetting collections (collected) from:            |     |
| 4180 Budget authority, net (total) .....            | 369 |
| 4190 Outlays, net (total) .....                     | 362 |

**CHILD NUTRITION PROGRAMS**

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.), except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21; **[\$18,151,176,000] \$19,694,000,000**, to remain available through September 30, **[2013] 2014**, of which such sums as are made available under section 14222(b)(1) of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246) **[, as amended by this Act]**, shall be merged with and available for the same time period **[and purposes]** as provided herein: *Provided*, That of the total amount available, **[\$16,516,000] \$16,504,000** shall be available to carry out section 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.): *Provided further*, That of the total amount available, **[\$1,000,000] \$35,000,000** shall be available to **[implement section 23 of the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.)] provide competitive grants to state agencies for subgrants to local educational agencies and schools to purchase the equipment needed to serve healthier meals, improve food safety, and to help support the establishment, maintenance, or expansion of the school breakfast program: Provided further**, That **[section 14222(b)(1) of the Food, Conservation, and Energy Act of 2008 is amended by adding at the end before the period, "except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21"]**, of the total amount available, **\$2,500,000 shall be available to be awarded as competitive grants to implement section 4405 of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246), and may be awarded notwithstanding the limitations imposed by sections 4405(b)(1)(A) and 4405(c)(1)(A). (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)**

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

| Identification code 12-3539-0-1-605                | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>            |             |           |           |
| 0001 Above 185 of poverty .....                    | 490         | 461       | 591       |
| 0002 130-185 of poverty .....                      | 1,220       | 1,067     | 1,139     |
| 0003 Below 130 of poverty .....                    | 8,611       | 9,189     | 9,675     |
| 0091 Subtotal, National School Lunch Program ..... | 10,321      | 10,717    | 11,405    |
| 0101 Above 185 of poverty .....                    | 89          | 92        | 97        |
| 0102 130-185 of poverty .....                      | 264         | 243       | 267       |
| 0103 Below 130 of poverty .....                    | 2,723       | 2,986     | 3,139     |
| 0191 Subtotal, School Breakfast Program .....      | 3,076       | 3,321     | 3,503     |

CHILD NUTRITION PROGRAMS—Continued  
Program and Financing—Continued

| Identification code 12-3539-0-1-605                                         | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------------------|-------------|-----------|-----------|
| 0201 Above 185 of poverty .....                                             | 194         | 185       | 190       |
| 0202 130-185 of poverty .....                                               | 136         | 134       | 142       |
| 0203 Below 130 of poverty .....                                             | 2,363       | 2,398     | 2,490     |
| 0204 Audits .....                                                           | 39          | 41        | 42        |
| 0205 CNR Add-ons .....                                                      |             |           | 54        |
| 0291 Subtotal, Child and Adult Care Feeding Program .....                   | 2,732       | 2,758     | 2,918     |
| 0301 Summer Food Service Program .....                                      | 377         | 412       | 441       |
| 0302 Special Milk Program .....                                             | 12          | 13        | 13        |
| 0303 State Administrative Expenses .....                                    | 209         | 275       | 290       |
| 0304 Commodity Procurement .....                                            | 937         | 1,062     | 1,154     |
| 0310 Coordinated Review Effort .....                                        | 6           | 10        | 10        |
| 0315 Food Safety Education .....                                            | 3           | 3         | 3         |
| 0320 CN Studies and Evaluations .....                                       | 4           | 30        | 19        |
| 0325 Computer Support and Processing .....                                  | 9           | 10        | 11        |
| 0340 Other Mandatory Program Costs .....                                    | 7           | 9         | 16        |
| 0391 Subtotal, Other mandatory activities .....                             | 1,564       | 1,824     | 1,957     |
| 0401 Team Nutrition and HealthierUS Schools Challenge .....                 | 16          | 17        | 17        |
| 0410 School Breakfast Expansion Grants .....                                |             | 1         |           |
| 0415 School Meals Equipment Grants .....                                    |             |           | 35        |
| 0440 Hunger-Free Community Grants .....                                     | 5           |           | 2         |
| 0445 School Garden Pilot .....                                              | 1           |           |           |
| 0491 Subtotal, discretionary activities .....                               | 22          | 18        | 54        |
| 0501 Fresh Fruit and Vegetable Program .....                                | 115         | 163       | 172       |
| 0502 Tech. Assist. Program Integrity/Administrative Reviews .....           | 11          | 11        | 8         |
| 0504 National Food Service Management Inst./Information Clearinghouse ..... | 5           | 5         | 5         |
| 0505 School Lunch Equipment Grants (Sect. 749) .....                        | 11          | 1         |           |
| 0506 CACFP Health and Nutrition Grants (Sect. 749) .....                    | 8           |           |           |
| 0507 Direct Certification Technical Assistance (Sect. 749) .....            | 3           | 22        |           |
| 0508 Summer Demonstration Projects (Sect. 749) .....                        | 31          | 51        |           |
| 0520 Other Permanent Programs .....                                         | 8           | 48        | 60        |
| 0591 Subtotal, Permanent Programs .....                                     | 192         | 301       | 245       |
| 0900 Total new obligations .....                                            | 17,907      | 18,939    | 20,082    |
| <b>Budgetary Resources:</b>                                                 |             |           |           |
| Unobligated balance:                                                        |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                       | 752         | 643       | 146       |
| 1010 Unobligated balance transfer to other accts [12-3539] .....            | -6          |           |           |
| 1011 Unobligated balance transfer from other accts [12-3539] .....          | 6           |           |           |
| 1021 Recoveries of prior year unpaid obligations .....                      | 329         | 135       |           |
| 1050 Unobligated balance (total) .....                                      | 1,081       | 778       | 146       |
| Budget authority:                                                           |             |           |           |
| Appropriations, discretionary:                                              |             |           |           |
| 1100 Appropriation .....                                                    | 16          | 18        | -63       |
| 1160 Appropriation, discretionary (total) .....                             | 16          | 18        | -63       |
| Appropriations, mandatory:                                                  |             |           |           |
| 1200 Appropriation .....                                                    | 12,031      | 11,458    | 12,022    |
| 1200 Appropriation- Permanent Appropriation .....                           | 45          | 18        | 73        |
| 1221 Transferred from other accounts [12-5209] .....                        | 5,386       | 6,813     | 7,907     |
| 1260 Appropriations, mandatory (total) .....                                | 17,462      | 18,289    | 20,002    |
| Spending authority from offsetting collections, mandatory:                  |             |           |           |
| 1800 Collected .....                                                        | 39          |           |           |
| 1850 Spending auth from offsetting collections, mand (total) .....          | 39          |           |           |
| 1900 Budget authority (total) .....                                         | 17,517      | 18,307    | 19,939    |
| 1930 Total budgetary resources available .....                              | 18,598      | 19,085    | 20,085    |
| Memorandum (non-add) entries:                                               |             |           |           |
| 1940 Unobligated balance expiring .....                                     | -48         |           |           |
| 1941 Unexpired unobligated balance, end of year .....                       | 643         | 146       | 3         |
| <b>Change in obligated balance:</b>                                         |             |           |           |
| Obligated balance, start of year (net):                                     |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....               | 2,563       | 2,823     | 2,020     |
| 3030 Obligations incurred, unexpired accounts .....                         | 17,907      | 18,939    | 20,082    |
| 3031 Obligations incurred, expired accounts .....                           | 21          |           |           |
| 3040 Outlays (gross) .....                                                  | -17,329     | -19,607   | -19,937   |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....           | -329        | -135      |           |
| 3081 Recoveries of prior year unpaid obligations, expired .....             | -10         |           |           |
| Obligated balance, end of year (net):                                       |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                          | 2,823       | 2,020     | 2,165     |
| 3100 Obligated balance, end of year (net) .....                             | 2,823       | 2,020     | 2,165     |
| <b>Budget authority and outlays, net:</b>                                   |             |           |           |
| Discretionary:                                                              |             |           |           |
| 4000 Budget authority, gross .....                                          | 16          | 18        | -63       |

|                                                                       |        |        |        |
|-----------------------------------------------------------------------|--------|--------|--------|
| Outlays, gross:                                                       |        |        |        |
| 4010 Outlays from new discretionary authority .....                   | 4      | 6      | -80    |
| 4011 Outlays from discretionary balances .....                        | 35     | 97     | 58     |
| 4020 Outlays, gross (total) .....                                     | 39     | 103    | -22    |
| Mandatory:                                                            |        |        |        |
| 4090 Budget authority, gross .....                                    | 17,501 | 18,289 | 20,002 |
| Outlays, gross:                                                       |        |        |        |
| 4100 Outlays from new mandatory authority .....                       | 14,252 | 15,914 | 17,037 |
| 4101 Outlays from mandatory balances .....                            | 3,038  | 3,590  | 2,922  |
| 4110 Outlays, gross (total) .....                                     | 17,290 | 19,504 | 19,959 |
| Offsets against gross budget authority and outlays:                   |        |        |        |
| Offsetting collections (collected) from:                              |        |        |        |
| 4120 Federal sources .....                                            | -33    |        |        |
| 4123 Non-Federal sources .....                                        | -12    |        |        |
| 4130 Offsets against gross budget authority and outlays (total) ..... | -45    |        |        |
| Additional offsets against gross budget authority only:               |        |        |        |
| 4142 Offsetting collections credited to expired accounts .....        | 6      |        |        |
| 4160 Budget authority, net (mandatory) .....                          | 17,462 | 18,289 | 20,002 |
| 4170 Outlays, net (mandatory) .....                                   | 17,245 | 19,504 | 19,959 |
| 4180 Budget authority, net (total) .....                              | 17,478 | 18,307 | 19,939 |
| 4190 Outlays, net (total) .....                                       | 17,284 | 19,607 | 19,937 |

The Child Nutrition Programs provide reimbursement to State agencies for cash and commodity meal subsidies through the National School Lunch Program (NSLP), School Breakfast Program (SBP), Special Milk Program, Summer Food Service Program (SFSP), and Child and Adult Care Food Program (CACFP). These programs provide nutritionally balanced, low-cost or free breakfasts and lunches to children every school day; provide nutrition assistance to children when school is not in session during summer months; and improve the quality of day care, making it more affordable for low-income families by providing reimbursement for nutritious meals and snacks. In addition, the Fresh Fruit and Vegetable program (FFVP), targeted to low-income elementary schools, provides fresh fruits and vegetables at no charge to children during the school day. The 2013 Budget will support over 5.6 billion lunches and snacks served to 32.4 million children in the NSLP, over 2.2 billion breakfasts served to 13.1 million children in the SBP, and almost 2 billion meals and snacks served in day care facilities.

Object Classification (in millions of dollars)

| Identification code 12-3539-0-1-605                    | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                    |             |           |           |
| 11.1 Personnel compensation: Full-time permanent ..... | 14          | 16        | 16        |
| 12.1 Civilian personnel benefits .....                 | 4           | 4         | 4         |
| 21.0 Travel and transportation of persons .....        | 1           | 1         | 1         |
| 24.0 Printing and reproduction .....                   | 2           | 2         | 2         |
| 25.2 Other services from non-Federal sources .....     | 15          | 15        | 16        |
| 26.0 Supplies and materials (Commodities) .....        | 887         | 1,062     | 1,154     |
| 41.0 Grants, subsidies, and contributions .....        | 16,984      | 17,839    | 18,889    |
| 99.9 Total new obligations .....                       | 17,907      | 18,939    | 20,082    |

Employment Summary

| Identification code 12-3539-0-1-605                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 168         | 176       | 176       |

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), **[\$6,618,497,000] \$7,041,000,000**, to remain available through September 30, **[2013] 2014: Provided**, That notwithstanding section 17(h)(10) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(10)), of the amounts made available under this heading, **[only the provisions of section 17(h)(10)(B)(iii) shall be effective in fiscal year 2012 (excluding performance bonus payments), for which not less than]**

\$60,000,000 shall be used for breast-feeding peer counselors and other related activities, \$14,000,000 shall be used for infrastructure, and \$30,000,000 shall be used for management information systems: **Provided further**, That funds made available for the purposes specified in section 17(h)(10)(B)(i) and section 17(h)(10)(B)(ii) shall only be made available upon a determination by the Secretary that funds are available to meet caseload requirements without the use of the contingency reserve funds: **Provided further**, That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of such Act: **Provided further**, That none of the funds provided shall be available for activities that are not fully reimbursed by other Federal Government departments or agencies unless authorized by section 17 of such Act. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

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

| Identification code 12-3510-0-1-605                                  | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                              |             |           |           |
| 0001 Grants to States .....                                          | 7,123       | 7,091     | 7,144     |
| 0004 WIC EBT/MIS .....                                               | 60          | 5         | 30        |
| 0010 Infrastructure Grants and Technical Assistance .....            | 11          | 4         | 14        |
| 0020 Breastfeeding Peer Counselors and Bonuses .....                 | 80          | 60        | 60        |
| 0030 Program Initiatives and Evaluations .....                       | 26          | 27        | 15        |
| 0091 Direct program activities (discretionary), subtotal .....       | 7,300       | 7,187     | 7,263     |
| 0101 UPC Database (mandatory) .....                                  |             | 2         | 1         |
| 0900 Total new obligations .....                                     | 7,300       | 7,189     | 7,264     |
| <b>Budgetary Resources:</b>                                          |             |           |           |
| Unobligated balance:                                                 |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                | 735         | 24        | 125       |
| 1020 Adjustment of unobligated bal brought forward, Oct 1 .....      | -125        | 125       |           |
| 1021 Recoveries of prior year unpaid obligations .....               | 542         | 146       | 222       |
| 1050 Unobligated balance (total) .....                               | 1,152       | 295       | 347       |
| Budget authority:                                                    |             |           |           |
| Appropriations, discretionary:                                       |             |           |           |
| 1100 Appropriation .....                                             | 6,747       | 6,618     | 7,041     |
| 1121 Appropriations transferred from other accts [12-3505] .....     |             | 400       |           |
| 1130 Appropriations permanently reduced .....                        | -13         |           |           |
| 1131 Unobligated balance of appropriations permanently reduced ..... | -562        |           |           |
| 1160 Appropriation, discretionary (total) .....                      | 6,172       | 7,018     | 7,041     |
| Appropriations, mandatory:                                           |             |           |           |
| 1200 Appropriation - Permanent Appropriation .....                   | 1           | 1         | 1         |
| 1260 Appropriations, mandatory (total) .....                         | 1           | 1         | 1         |
| 1900 Budget authority (total) .....                                  | 6,173       | 7,019     | 7,042     |
| 1930 Total budgetary resources available .....                       | 7,325       | 7,314     | 7,389     |
| Memorandum (non-add) entries:                                        |             |           |           |
| 1940 Unobligated balance expiring .....                              | -1          |           |           |
| 1941 Unexpired unobligated balance, end of year .....                | 24          | 125       | 125       |
| <b>Change in obligated balance:</b>                                  |             |           |           |
| Obligated balance, start of year (net):                              |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....        | 1,246       | 1,215     | 1,184     |
| 3030 Obligations incurred, unexpired accounts .....                  | 7,300       | 7,189     | 7,264     |
| 3031 Obligations incurred, expired accounts .....                    | 2           |           |           |
| 3040 Outlays (gross) .....                                           | -6,789      | -7,074    | -7,428    |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....    | -542        | -146      | -222      |
| 3081 Recoveries of prior year unpaid obligations, expired .....      | -2          |           |           |
| Obligated balance, end of year (net):                                |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                   | 1,215       | 1,184     | 798       |
| 3100 Obligated balance, end of year (net) .....                      | 1,215       | 1,184     | 798       |
| <b>Budget authority and outlays, net:</b>                            |             |           |           |
| Discretionary:                                                       |             |           |           |
| 4000 Budget authority, gross .....                                   | 6,172       | 7,018     | 7,041     |
| Outlays, gross:                                                      |             |           |           |
| 4010 Outlays from new discretionary authority .....                  | 5,684       | 5,927     | 6,292     |
| 4011 Outlays from discretionary balances .....                       | 1,105       | 1,145     | 1,135     |
| 4020 Outlays, gross (total) .....                                    | 6,789       | 7,072     | 7,427     |
| Offsets against gross budget authority and outlays:                  |             |           |           |
| Offsetting collections (collected) from:                             |             |           |           |
| 4033 Non-Federal sources .....                                       | -2          |           |           |
| Additional offsets against gross budget authority only:              |             |           |           |
| 4052 Offsetting collections credited to expired accounts .....       | 2           |           |           |
| 4070 Budget authority, net (discretionary) .....                     | 6,172       | 7,018     | 7,041     |

|                 |                                            |       |       |       |
|-----------------|--------------------------------------------|-------|-------|-------|
| 4080            | Outlays, net (discretionary) .....         | 6,787 | 7,072 | 7,427 |
| Mandatory:      |                                            |       |       |       |
| 4090            | Budget authority, gross .....              | 1     | 1     | 1     |
| Outlays, gross: |                                            |       |       |       |
| 4100            | Outlays from new mandatory authority ..... |       | 1     | 1     |
| 4101            | Outlays from mandatory balances .....      |       | 1     |       |
| 4110            | Outlays, gross (total) .....               |       | 2     | 1     |
| 4180            | Budget authority, net (total) .....        | 6,173 | 7,019 | 7,042 |
| 4190            | Outlays, net (total) .....                 | 6,787 | 7,074 | 7,428 |

The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) provides low-income at-risk pregnant and post-partum women, infants, and children nutritious supplemental food packages, nutrition education and counseling, and health and immunization referrals. The 2013 Budget supports nutrition benefits for the 9.1 million individuals expected to participate in the program each month.

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

| Identification code 12-3510-0-1-605 | 2011 actual                                       | 2012 est. | 2013 est. |       |
|-------------------------------------|---------------------------------------------------|-----------|-----------|-------|
| <b>Direct obligations:</b>          |                                                   |           |           |       |
| 11.1                                | Personnel compensation: Full-time permanent ..... | 2         | 2         | 2     |
| 12.1                                | Civilian personnel benefits .....                 | 1         | 1         | 1     |
| 25.2                                | Other services from non-Federal sources .....     | 3         | 3         | 3     |
| 41.0                                | Grants, subsidies, and contributions .....        | 7,294     | 7,183     | 7,258 |
| 99.9                                | Total new obligations .....                       | 7,300     | 7,189     | 7,264 |

**Employment Summary**

| Identification code 12-3510-0-1-605 | 2011 actual                                           | 2012 est. | 2013 est. |    |
|-------------------------------------|-------------------------------------------------------|-----------|-----------|----|
| 1001                                | Direct civilian full-time equivalent employment ..... | 22        | 23        | 23 |

**COMMODITY ASSISTANCE PROGRAM**

For necessary expenses to carry out disaster assistance and the Commodity Supplemental Food Program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note); the Emergency Food Assistance Act of 1983; special assistance for the nuclear affected islands, as authorized by section 103(f)(2) of the Compact of Free Association Amendments Act of 2003 (Public Law 108-188); and the Farmers' Market Nutrition Program, as authorized by section 17(m) of the Child Nutrition Act of 1966, **2012** \$242,336,000 **2013** \$253,952,000, to remain available through September 30, **2014** *Provided*, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program: *Provided further*, That notwithstanding any other provision of law, effective with funds made available in fiscal year **2012** **2013** to support the Seniors Farmers' Market Nutrition Program, as authorized by section 4402 of the Farm Security and Rural Investment Act of 2002, such funds shall remain available through September 30, **2013** **2014**: *Provided further*, That of the funds made available under section 27(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036(a)), the Secretary may use up to 10 percent for costs associated with the distribution of commodities. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.*)

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

| Identification code 12-3507-0-1-605     | 2011 actual                                         | 2012 est. | 2013 est. |     |
|-----------------------------------------|-----------------------------------------------------|-----------|-----------|-----|
| <b>Obligations by program activity:</b> |                                                     |           |           |     |
| 0001                                    | Commodity procurement .....                         | 155       | 150       | 144 |
| 0002                                    | Administrative costs .....                          | 41        | 42        | 43  |
| 0091                                    | Subtotal, commodity supplemental food program ..... | 196       | 192       | 187 |
| 0105                                    | TEFAP Administrative .....                          | 51        | 48        | 49  |
| 0110                                    | Senior farmers' market .....                        | 22        | 21        | 21  |
| 0115                                    | Farmers' market nutrition program .....             | 23        | 17        | 17  |
| 0120                                    | Pacific island and disaster assistance .....        | 1         | 1         | 1   |
| 0130                                    | NSIP (transfer Funds) .....                         | 1         | 2         |     |
| 0191                                    | Direct program activities, subtotal .....           | 98        | 89        | 88  |

COMMODITY ASSISTANCE PROGRAM—Continued  
Program and Financing—Continued

| Identification code 12-3507-0-1-605                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| 0799 Total direct obligations .....                                | 294         | 281       | 275       |
| 0801 NSIP .....                                                    | 2           |           |           |
| 0900 Total new obligations .....                                   | 296         | 281       | 275       |
| <b>Budgetary Resources:</b>                                        |             |           |           |
| Unobligated balance:                                               |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....              | 9           | 2         |           |
| 1021 Recoveries of prior year unpaid obligations .....             | 7           |           |           |
| 1050 Unobligated balance (total) .....                             | 16          | 2         |           |
| Budget authority:                                                  |             |           |           |
| Appropriations, discretionary:                                     |             |           |           |
| 1100 Appropriation .....                                           | 247         | 242       | 254       |
| 1121 Appropriations transferred from other accts [75-0142] .....   |             | 2         |           |
| 1130 Appropriations permanently reduced .....                      | -1          |           |           |
| 1160 Appropriation, discretionary (total) .....                    | 246         | 244       | 254       |
| Appropriations, mandatory:                                         |             |           |           |
| 1221 Transferred from other accounts [12-4336] .....               | 21          | 21        | 21        |
| 1260 Appropriations, mandatory (total) .....                       | 21          | 21        | 21        |
| Spending authority from offsetting collections, discretionary:     |             |           |           |
| 1700 Collected .....                                               | 16          | 14        |           |
| 1750 Spending auth from offsetting collections, disc (total) ..... | 16          | 14        |           |
| 1900 Budget authority (total) .....                                | 283         | 279       | 275       |
| 1930 Total budgetary resources available .....                     | 299         | 281       | 275       |
| Memorandum (non-add) entries:                                      |             |           |           |
| 1940 Unobligated balance expiring .....                            | -1          |           |           |
| 1941 Unexpired unobligated balance, end of year .....              | 2           |           |           |
| <b>Change in obligated balance:</b>                                |             |           |           |
| Obligated balance, start of year (net):                            |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....      | 77          | 43        | 12        |
| 3030 Obligations incurred, unexpired accounts .....                | 296         | 281       | 275       |
| 3040 Outlays (gross) .....                                         | -323        | -312      | -275      |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....  | -7          |           |           |
| Obligated balance, end of year (net):                              |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                 | 43          | 12        | 12        |
| 3100 Obligated balance, end of year (net) .....                    | 43          | 12        | 12        |
| <b>Budget authority and outlays, net:</b>                          |             |           |           |
| Discretionary:                                                     |             |           |           |
| 4000 Budget authority, gross .....                                 | 262         | 258       | 254       |
| Outlays, gross:                                                    |             |           |           |
| 4010 Outlays from new discretionary authority .....                | 216         | 245       | 241       |
| 4011 Outlays from discretionary balances .....                     | 86          | 45        | 13        |
| 4020 Outlays, gross (total) .....                                  | 302         | 290       | 254       |
| Offsets against gross budget authority and outlays:                |             |           |           |
| Offsetting collections (collected) from:                           |             |           |           |
| 4030 Federal sources .....                                         | -16         | -14       |           |
| Mandatory:                                                         |             |           |           |
| 4090 Budget authority, gross .....                                 | 21          | 21        | 21        |
| Outlays, gross:                                                    |             |           |           |
| 4100 Outlays from new mandatory authority .....                    | 13          | 13        | 13        |
| 4101 Outlays from mandatory balances .....                         | 8           | 9         | 8         |
| 4110 Outlays, gross (total) .....                                  | 21          | 22        | 21        |
| 4180 Budget authority, net (total) .....                           | 267         | 265       | 275       |
| 4190 Outlays, net (total) .....                                    | 307         | 298       | 275       |

This account funds the Commodity Supplemental Food Program (CSFP), The Emergency Food Assistance Program (TEFAP), farmers' market nutrition programs, assistance for the nuclear-affected islands, and disaster relief.

CSFP provides food packages for low-income women, infants, and children, as well as low-income elderly persons. It also funds State administrative expenses. TEFAP provides cash to support State administrative activities and to maintain the storage and distribution pipeline for USDA and privately-donated commodities (TEFAP commodities are separately funded through the Supplemental Nutrition Assistance Program (SNAP) account). The account also funds two programs which provide low-income participants vouchers to purchase produce at farmers' markets. The Senior Farmers' Market Nutrition Program is funded by transfer

from the Commodity Credit Corporation. The WIC Farmers' Market Program is funded by discretionary appropriation.

Object Classification (in millions of dollars)

| Identification code 12-3507-0-1-605             | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                             |             |           |           |
| 26.0 Supplies and materials (commodities) ..... | 157         | 150       | 144       |
| 41.0 Grants, subsidies, and contributions ..... | 137         | 131       | 131       |
| 99.0 Direct obligations .....                   | 294         | 281       | 275       |
| 99.0 Reimbursable obligations .....             | 2           |           |           |
| 99.9 Total new obligations .....                | 296         | 281       | 275       |

Employment Summary

| Identification code 12-3507-0-1-605                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 2           | 2         | 2         |

FOREST SERVICE

Federal Funds

NATIONAL FOREST SYSTEM

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, **[\$1,556,628,000] \$1,623,591,000**, to remain available until expended: *Provided*, **[That of the funds provided, \$336,049,000 shall be for forest products: *Provided further*,** That of the funds provided, \$40,000,000 shall be deposited in the Collaborative Forest Landscape Restoration Fund for ecological restoration treatments as authorized by 16 U.S.C. 7303(f): *Provided further*, That of the funds provided, up to \$68,000,000 is for the Integrated Resource Restoration pilot program for Region 1, Region 3 and Region 4: *Provided further*, That of the funds provided for forest products, up to \$44,585,000 may be transferred to support the Integrated Resource Restoration pilot program in the preceding proviso] *funds provided under this heading may be used for necessary expenses of the Forest Service to manage Federal lands in Alaska for subsistence uses under title VIII of the Alaska National Interest Lands Conservation Act (Public Law 96-487): *Provided further*, That funds provided under this heading shall be available for urgently needed road decommissioning, road and trail repair and maintenance and associated activities, and removal of fish passage barriers, especially in areas where Forest Service roads may be contributing to water quality problems in streams and water bodies that support threatened, endangered or sensitive species or community water sources, as authorized by Public Law 88-567, as amended (16 U.S.C. 532-538) and Public Law 85-767, as amended (23 U.S.C. 101 and 205): *Provided further*, That funds provided herein shall be available for the decommissioning of roads which are no longer needed, including unauthorized roads not part of the transportation system. (Department of the Interior, Environment, and Related Agencies Appropriations Act, 2012.)*

Program and Financing (in millions of dollars)

| Identification code 12-1106-0-1-302                    | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                |             |           |           |
| 0001 National forest system .....                      | 1,554       | 1,702     | 1,624     |
| 0801 Reimbursable program .....                        | 62          | 75        | 75        |
| 0900 Total new obligations .....                       | 1,616       | 1,777     | 1,699     |
| <b>Budgetary Resources:</b>                            |             |           |           |
| Unobligated balance:                                   |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....  | 152         | 147       |           |
| 1021 Recoveries of prior year unpaid obligations ..... | 5           |           |           |
| 1050 Unobligated balance (total) .....                 | 157         | 147       |           |
| Budget authority:                                      |             |           |           |
| Appropriations, discretionary:                         |             |           |           |
| 1100 Appropriation .....                               | 1,545       | 1,557     | 1,624     |
| 1121 Transferred from other accounts [12-1115] .....   | 12          |           |           |
| 1130 Appropriations permanently reduced .....          | -3          |           |           |

|                                                         |                                                                  |        |        |        |
|---------------------------------------------------------|------------------------------------------------------------------|--------|--------|--------|
| 1141                                                    | Approp permanently reduced (Sec 436, HR 2055) .....              |        | -2     |        |
| 1160                                                    | Appropriation, discretionary (total) .....                       | 1,554  | 1,555  | 1,624  |
|                                                         | Spending authority from offsetting collections, discretionary:   |        |        |        |
| 1700                                                    | Collected .....                                                  | 74     | 75     | 75     |
| 1701                                                    | Change in uncollected payments, Federal sources .....            | -22    |        |        |
| 1750                                                    | Spending auth from offsetting collections, disc (total) .....    | 52     | 75     | 75     |
| 1900                                                    | Budget authority (total) .....                                   | 1,606  | 1,630  | 1,699  |
| 1930                                                    | Total budgetary resources available .....                        | 1,763  | 1,777  | 1,699  |
|                                                         | Memorandum (non-add) entries:                                    |        |        |        |
| 1941                                                    | Unexpired unobligated balance, end of year .....                 | 147    |        |        |
| <b>Change in obligated balance:</b>                     |                                                                  |        |        |        |
| Obligated balance, start of year (net):                 |                                                                  |        |        |        |
| 3000                                                    | Unpaid obligations, brought forward, Oct 1 (gross) .....         | 447    | 439    | 383    |
| 3010                                                    | Uncollected pymts, Fed sources, brought forward, Oct 1 .....     | -124   | -102   | -102   |
| 3020                                                    | Obligated balance, start of year (net) .....                     | 323    | 337    | 281    |
| 3030                                                    | Obligations incurred, unexpired accounts .....                   | 1,616  | 1,777  | 1,699  |
| 3040                                                    | Outlays (gross) .....                                            | -1,619 | -1,833 | -1,755 |
| 3050                                                    | Change in uncollected pymts, Fed sources, unexpired .....        | 22     |        |        |
| 3080                                                    | Recoveries of prior year unpaid obligations, unexpired .....     | -5     |        |        |
| Obligated balance, end of year (net):                   |                                                                  |        |        |        |
| 3090                                                    | Unpaid obligations, end of year (gross) .....                    | 439    | 383    | 327    |
| 3091                                                    | Uncollected pymts, Fed sources, end of year .....                | -102   | -102   | -102   |
| 3100                                                    | Obligated balance, end of year (net) .....                       | 337    | 281    | 225    |
| <b>Budget authority and outlays, net:</b>               |                                                                  |        |        |        |
| Discretionary:                                          |                                                                  |        |        |        |
| 4000                                                    | Budget authority, gross .....                                    | 1,606  | 1,630  | 1,699  |
| Outlays, gross:                                         |                                                                  |        |        |        |
| 4010                                                    | Outlays from new discretionary authority .....                   | 1,334  | 1,386  | 1,444  |
| 4011                                                    | Outlays from discretionary balances .....                        | 285    | 447    | 311    |
| 4020                                                    | Outlays, gross (total) .....                                     | 1,619  | 1,833  | 1,755  |
| Offsets against gross budget authority and outlays:     |                                                                  |        |        |        |
| Offsetting collections (collected) from:                |                                                                  |        |        |        |
| 4030                                                    | Federal sources .....                                            | -45    | -45    | -45    |
| 4033                                                    | Non-Federal sources .....                                        | -29    | -30    | -30    |
| 4040                                                    | Offsets against gross budget authority and outlays (total) ..... | -74    | -75    | -75    |
| Additional offsets against gross budget authority only: |                                                                  |        |        |        |
| 4050                                                    | Change in uncollected pymts, Fed sources, unexpired .....        | 22     |        |        |
| 4070                                                    | Budget authority, net (discretionary) .....                      | 1,554  | 1,555  | 1,624  |
| 4080                                                    | Outlays, net (discretionary) .....                               | 1,545  | 1,758  | 1,680  |
| 4180                                                    | Budget authority, net (total) .....                              | 1,554  | 1,555  | 1,624  |
| 4190                                                    | Outlays, net (total) .....                                       | 1,545  | 1,758  | 1,680  |

The 2013 Budget requests \$1,623,591,000 for the National Forest System (NFS), an increase of \$69,454,000 above the 2012 enacted level for the stewardship and management of the 193 million acres of national forests and grasslands. This includes the 155 National Forests and 20 National Grasslands located in 44 States and Puerto Rico that are managed under multiple-use and sustained-yield principles. The natural resources of timber, minerals, range, wildlife, outdoor recreation, watershed, and soil are used in a planned combination that best meets the needs of the Nation without impairing productivity of the land or damaging the environment.

These management and utilization principles are recognized in the Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 528–531) and use an ecological approach to managing the NFS. NFS operations and maintenance provide for the planning, assessment, and conservation of ecosystems while delivering multiple public services and uses. These are delivered through the principal NFS programs of integrated resource restoration; land management planning, assessment, and monitoring; recreation, heritage, and wilderness; grazing management; minerals and geology management; landownership management; and law enforcement operations. These programs maintain the capability to manage natural resources in a manner consistent with ecological principles and responsibilities.

Following the Secretary's "All Lands" vision, the Budget focuses on meeting the challenges of ecological restoration through collaborative approaches to address fire and fuels, invasive species, and watershed degradation; engaging communities to help

Americans reconnect to the outdoors, expand on recreation benefits and create a wide range of opportunities for economic expansion to retain and create jobs; and partnering with communities and fellow agencies to reduce the threat of wildland fires. The goals of these efforts are to reestablish and retain the resilience of NFS lands, to achieve sustainable management and use, and to provide a broad range of ecosystem services. Healthy and resilient landscapes have a greater capacity to survive natural disturbances, provide for the natural storage and sustained delivery of high quality water, and are more resilient and adaptable to changing environmental conditions.

Specific conservation and restoration actions depend on the particular needs and priorities identified for a given landscape. These may include management of off-highway vehicle use and other recreation activities, road decommissioning, mitigation of abandoned mine and hazardous material sites, enhanced administration of grazing authorizations, and other actions identified as necessary for ecosystem restoration.

The Budget emphasizes Integrated Resource Restoration (IRR) as a priority approach to accomplish on-the-ground restoration. IRR promotes improved forest and grassland health and resilience using landscape scale restoration to recover watershed health and clean water and create or maintain local economic opportunities and jobs. IRR does this by improving the efficient delivery of NFS programs throughout the Nation and integrating watershed protection and restoration into all aspects of our management of national forests and grasslands. This allows the Forest Service to more effectively accomplish forest health and water quality improvement goals.

The Budget also invests in the Collaborative Forest Landscape Restoration (CFLR) Program, which fosters collaborative, science-based restoration on priority forest landscapes across the U.S. The CFLR Program was established specifically to create job stability, achieve a reliable wood supply, restore forest health, and reduce the costs of fire suppression in overgrown forests. The ultimate goal of the CFLR Program is to collaboratively achieve improved forest benefits for people, water, and wildlife in a way that can be shared across broad landscapes.

The request for the National Forest System includes \$2,000,000 for Management of National Forest Lands for Subsistence Uses, a decrease of \$573,000 below the 2012 enacted level. Funding allows the Forest Service to meet agency responsibilities under the 1980 Alaska National Interest Lands Conservation Act (ANILCA).

The Budget reflects the continuing emphasis on Forest Service program performance and accountability agency-wide. The Forest Service business rules for accomplishment reporting incorporate not only directly funded work, but also accomplishments achieved through integration between program areas or partnerships with external groups. This effort improves performance and accountability by shifting focus to one that naturally aligns other programs and partner organizations to achieve multiple goals.

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

| Identification code 12–1106–0–1–302 | 2011 actual                                | 2012 est. | 2013 est. |     |
|-------------------------------------|--------------------------------------------|-----------|-----------|-----|
| Direct obligations:                 |                                            |           |           |     |
| Personnel compensation:             |                                            |           |           |     |
| 11.1                                | Full-time permanent .....                  | 671       | 665       | 694 |
| 11.3                                | Other than full-time permanent .....       | 36        | 36        | 37  |
| 11.5                                | Other personnel compensation .....         | 40        | 39        | 41  |
| 11.9                                | Total personnel compensation .....         | 747       | 740       | 772 |
| 12.1                                | Civilian personnel benefits .....          | 252       | 250       | 263 |
| 13.0                                | Benefits for former personnel .....        | 10        | 11        | 11  |
| 21.0                                | Travel and transportation of persons ..... | 20        | 18        | 18  |
| 22.0                                | Transportation of things .....             | 10        | 11        | 11  |
| 23.1                                | Rental payments to GSA .....               | 16        | 18        | 18  |

NATIONAL FOREST SYSTEM—Continued  
Object Classification—Continued

| Identification code 12-1106-0-1-302                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| 23.2 Rental payments to others .....                            | 20          | 22        | 22        |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 40          | 44        | 44        |
| 24.0 Printing and reproduction .....                            | 3           | 3         | 3         |
| 25.2 Other services from non-Federal sources .....              | 226         | 314       | 231       |
| 25.3 Other goods and services from Federal sources .....        | 98          | 142       | 102       |
| 25.4 Operation and maintenance of facilities .....              | 1           | 1         | 1         |
| 25.5 Research and development contracts .....                   | 1           | 1         | 1         |
| 25.7 Operation and maintenance of equipment .....               | 4           | 4         | 4         |
| 26.0 Supplies and materials .....                               | 37          | 41        | 41        |
| 31.0 Equipment .....                                            | 22          | 24        | 24        |
| 41.0 Grants, subsidies, and contributions .....                 | 45          | 56        | 56        |
| 42.0 Insurance claims and indemnities .....                     | 2           | 2         | 2         |
| 99.0 Direct obligations .....                                   | 1,554       | 1,702     | 1,624     |
| 99.0 Reimbursable obligations .....                             | 62          | 75        | 75        |
| 99.9 Total new obligations .....                                | 1,616       | 1,777     | 1,699     |

Employment Summary

| Identification code 12-1106-0-1-302                                    | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....             | 11,446      | 11,340    | 11,838    |
| 2001 Reimbursable civilian full-time equivalent employment .....       | 347         | 327       | 372       |
| 3001 Allocation account civilian full-time equivalent employment ..... | 1,537       | 1,417     | 1,374     |

CAPITAL IMPROVEMENT AND MAINTENANCE  
(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Forest Service, not otherwise provided for, **[\$394,721,000] \$346,379,000**, to remain available until expended, for construction, capital improvement, maintenance and acquisition of buildings and other facilities and infrastructure; and for construction, reconstruction, **[decommissioning (including decommissioning unauthorized roads not part of the transportation system),]** and maintenance of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532-538 and 23 U.S.C. 101 and 205: *Provided*, That **[\$45,000,000]** shall be designated for urgently needed road decommissioning, road and trail repair and maintenance and associated activities, and removal of fish passage barriers, especially in areas where Forest Service roads may be contributing to water quality problems in streams and water bodies which support threatened, endangered, or sensitive species or community water sources: *Provided further*, That **[** funds becoming available in fiscal year **[2012] 2013** under the Act of March 4, 1913 (16 U.S.C. 501) shall be transferred to the General Fund of the Treasury and shall not be available for transfer or obligation for any other purpose unless the funds are appropriated **]**: *Provided further*, That of the funds provided for decommissioning of roads, up to \$13,000,000 may be transferred to the "National Forest System" to support the Integrated Resource Restoration pilot program **]**. (*Department of the Interior, Environment, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-1103-0-1-302                    | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                |             |           |           |
| 0001 Capital improvement and maintenance .....         | 489         | 486       | 338       |
| 0801 Reimbursable program .....                        | 27          | 20        | 21        |
| 0900 Total new obligations .....                       | 516         | 506       | 359       |
| <b>Budgetary Resources:</b>                            |             |           |           |
| Unobligated balance:                                   |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....  | 103         | 100       | 8         |
| 1021 Recoveries of prior year unpaid obligations ..... | 2           |           |           |
| 1050 Unobligated balance (total) .....                 | 105         | 100       | 8         |
| Budget authority:                                      |             |           |           |
| Appropriations, discretionary:                         |             |           |           |
| 1100 Appropriation .....                               | 474         | 395       | 346       |
| 1130 Appropriations permanently reduced .....          | -1          |           |           |

|                                                                    |     |     |     |
|--------------------------------------------------------------------|-----|-----|-----|
| 1141 Approp permanently reduced (Sec 436, HR 2055) .....           |     | -1  |     |
| 1160 Appropriation, discretionary (total) .....                    | 473 | 394 | 346 |
| Spending authority from offsetting collections, discretionary:     |     |     |     |
| 1700 Collected .....                                               | 21  | 20  | 21  |
| 1701 Change in uncollected payments, Federal sources .....         | 17  |     |     |
| 1750 Spending auth from offsetting collections, disc (total) ..... | 38  | 20  | 21  |
| 1900 Budget authority (total) .....                                | 511 | 414 | 367 |
| 1930 Total budgetary resources available .....                     | 616 | 514 | 375 |
| Memorandum (non-add) entries:                                      |     |     |     |
| 1941 Unexpired unobligated balance, end of year .....              | 100 | 8   | 16  |

Change in obligated balance:

|                                                                   |      |      |      |
|-------------------------------------------------------------------|------|------|------|
| Obligated balance, start of year (net):                           |      |      |      |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 728  | 382  | 314  |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 ..... | -43  | -60  | -60  |
| 3020 Obligated balance, start of year (net) .....                 | 685  | 322  | 254  |
| 3030 Obligations incurred, unexpired accounts .....               | 516  | 506  | 359  |
| 3031 Obligations incurred, expired accounts .....                 | 10   |      |      |
| 3040 Outlays (gross) .....                                        | -859 | -574 | -491 |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....    | -17  |      |      |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -2   |      |      |
| 3081 Recoveries of prior year unpaid obligations, expired .....   | -11  |      |      |
| Obligated balance, end of year (net):                             |      |      |      |
| 3090 Unpaid obligations, end of year (gross) .....                | 382  | 314  | 182  |
| 3091 Uncollected pymts, Fed sources, end of year .....            | -60  | -60  | -60  |
| 3100 Obligated balance, end of year (net) .....                   | 322  | 254  | 122  |

Budget authority and outlays, net:

|                                                                       |     |     |     |
|-----------------------------------------------------------------------|-----|-----|-----|
| Discretionary:                                                        |     |     |     |
| 4000 Budget authority, gross .....                                    | 511 | 414 | 367 |
| Outlays, gross:                                                       |     |     |     |
| 4010 Outlays from new discretionary authority .....                   | 338 | 269 | 239 |
| 4011 Outlays from discretionary balances .....                        | 521 | 305 | 252 |
| 4020 Outlays, gross (total) .....                                     | 859 | 574 | 491 |
| Offsets against gross budget authority and outlays:                   |     |     |     |
| Offsetting collections (collected) from:                              |     |     |     |
| 4030 Federal sources .....                                            | -6  | -5  | -5  |
| 4033 Non-Federal sources .....                                        | -15 | -15 | -16 |
| 4040 Offsets against gross budget authority and outlays (total) ..... | -21 | -20 | -21 |
| Additional offsets against gross budget authority only:               |     |     |     |
| 4050 Change in uncollected pymts, Fed sources, unexpired .....        | -17 |     |     |
| 4070 Budget authority, net (discretionary) .....                      | 473 | 394 | 346 |
| 4080 Outlays, net (discretionary) .....                               | 838 | 554 | 470 |
| 4180 Budget authority, net (total) .....                              | 473 | 394 | 346 |
| 4190 Outlays, net (total) .....                                       | 838 | 554 | 470 |

The 2013 Budget requests \$346,379,000 for Capital Improvement and Maintenance, a decrease of \$47,710,000 below the 2012 enacted level. Funding provides for capital improvement and maintenance of Forest Service assets including facilities, roads, and trails. Addressing critical maintenance and operational components of the Forest Service demonstrates our commitment to maintaining a healthy environment. The program emphasizes an efficient and effective infrastructure that supports public and administrative uses and quality recreation experiences with minimal impact to ecosystem stability and conditions.

Capital improvement of facilities, roads, and trails includes alteration of existing assets to change the function, expansion of an asset to change the capacity or to serve needs that are different from what was originally intended and new construction. The Budget shifts activities previously conducted under the Legacy Roads and Trails program, such as road decommissioning, to the Integrated Resource Restoration program under the National Forest System appropriation

**Facilities.**—Provides for capital improvement and maintenance of recreation developed sites, fire, administrative, and other facilities, including visitor centers, research facilities, telecommunication sites and towers, and dams. The program also includes the acquisition of buildings and other facilities necessary to carry out the mission of the Forest Service.

**Roads.**—Provides for capital improvement and maintenance of the national forest road system, including bridges and terminal



facilities such as parking lots, trailhead parking, camping spurs and truck turnarounds. The agency continues to address the growing road system maintenance backlog. Funding priorities are health and safety and resource protection, including clean water, aquatic passage, and mission critical needs.

**Trails.**—Provides for capital improvement and maintenance of National Forest System trails. Funding is used to protect capital investments by keeping trails open for access and protecting vegetation, soil, and water quality. Work includes clearing the pathway of encroaching vegetation and fallen trees, and repairing or improving trail signs, treadways, drainage facilities, and bridges.

**Infrastructure Improvement.**—Provides for capital improvement and maintenance directed toward reducing the backlog in deferred maintenance on National Forest System roads and trails, as well as recreation developed sites and fire, administrative, and other facilities. Funding priorities are to ensure the safety of the public, agency employees, volunteers and contractors.

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

| Identification code 12-1103-0-1-302                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| <b>Personnel compensation:</b>                                  |             |           |           |
| 11.1 Full-time permanent .....                                  | 149         | 135       | 121       |
| 11.3 Other than full-time permanent .....                       | 15          | 14        | 12        |
| 11.5 Other personnel compensation .....                         | 9           | 9         | 7         |
| 11.9 Total personnel compensation .....                         | 173         | 158       | 140       |
| 12.1 Civilian personnel benefits .....                          | 55          | 50        | 45        |
| 13.0 Benefits for former personnel .....                        | 6           | 6         | 4         |
| 21.0 Travel and transportation of persons .....                 | 5           | 5         | 4         |
| 22.0 Transportation of things .....                             | 2           | 2         | 1         |
| 23.1 Rental payments to GSA .....                               | 3           | 3         | 2         |
| 23.2 Rental payments to others .....                            | 5           | 5         | 4         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 9           | 9         | 6         |
| 24.0 Printing and reproduction .....                            | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....              | 147         | 152       | 76        |
| 25.3 Other goods and services from Federal sources .....        | 34          | 45        | 21        |
| 25.4 Operation and maintenance of facilities .....              | 3           | 3         | 2         |
| 25.7 Operation and maintenance of equipment .....               | 3           | 3         | 2         |
| 26.0 Supplies and materials .....                               | 14          | 14        | 10        |
| 31.0 Equipment .....                                            | 4           | 4         | 3         |
| 32.0 Land and structures .....                                  | 10          | 11        | 7         |
| 41.0 Grants, subsidies, and contributions .....                 | 14          | 15        | 10        |
| 99.0 Direct obligations .....                                   | 488         | 486       | 338       |
| 99.0 Reimbursable obligations .....                             | 27          | 20        | 21        |
| 99.5 Below reporting threshold .....                            | 1           |           |           |
| 99.9 Total new obligations .....                                | 516         | 506       | 359       |

**Employment Summary**

| Identification code 12-1103-0-1-302                                    | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....             | 2,858       | 2,591     | 2,321     |
| 2001 Reimbursable civilian full-time equivalent employment .....       | 184         | 123       | 124       |
| 3001 Allocation account civilian full-time equivalent employment ..... | 71          | 61        | 61        |

**FOREST AND RANGELAND RESEARCH**

For necessary expenses of forest and rangeland research as authorized by law, **[\$295,773,000]** \$292,796,000, to remain available until expended: *Provided*, That of the funds provided, **[\$64,372,000]** \$66,805,000 is for the forest inventory and analysis program.

**GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH**

For expenses authorized by 16 U.S.C. 1643(b), **[\$45,000]** \$46,000, to remain available until expended, to be derived from the fund established pursuant to the above Act. (*Department of the Interior, Environment, and Related Agencies Appropriations Act, 2012.*)

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

| Identification code 12-1104-0-1-302                                   | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                               |             |           |           |
| 0006 Forest and rangeland research .....                              | 341         | 366       | 321       |
| 0801 Reimbursable program .....                                       | 24          | 25        | 25        |
| 0900 Total new obligations .....                                      | 365         | 391       | 346       |
| <b>Budgetary Resources:</b>                                           |             |           |           |
| <b>Unobligated balance:</b>                                           |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                 | 46          | 42        |           |
| 1021 Recoveries of prior year unpaid obligations .....                | 1           |           |           |
| 1050 Unobligated balance (total) .....                                | 47          | 42        |           |
| <b>Budget authority:</b>                                              |             |           |           |
| <b>Appropriations, discretionary:</b>                                 |             |           |           |
| 1100 Appropriation .....                                              | 307         | 296       | 293       |
| 1121 Transferred from other accounts [12-1115] .....                  | 28          | 28        | 28        |
| 1130 Appropriations permanently reduced .....                         | -1          |           |           |
| 1160 Appropriation, discretionary (total) .....                       | 334         | 324       | 321       |
| <b>Spending authority from offsetting collections, discretionary:</b> |             |           |           |
| 1700 Collected .....                                                  | 25          | 25        | 25        |
| 1701 Change in uncollected payments, Federal sources .....            | 1           |           |           |
| 1750 Spending auth from offsetting collections, disc (total) .....    | 26          | 25        | 25        |
| 1900 Budget authority (total) .....                                   | 360         | 349       | 346       |
| 1930 Total budgetary resources available .....                        | 407         | 391       | 346       |
| <b>Memorandum (non-add) entries:</b>                                  |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                 | 42          |           |           |
| <b>Change in obligated balance:</b>                                   |             |           |           |
| <b>Obligated balance, start of year (net):</b>                        |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....         | 147         | 158       | 152       |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....     | -39         | -40       | -40       |
| 3020 Obligated balance, start of year (net) .....                     | 108         | 118       | 112       |
| 3030 Obligations incurred, unexpired accounts .....                   | 365         | 391       | 346       |
| 3040 Outlays (gross) .....                                            | -353        | -397      | -356      |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....        | -1          |           |           |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....     | -1          |           |           |
| <b>Obligated balance, end of year (net):</b>                          |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                    | 158         | 152       | 142       |
| 3091 Uncollected pymts, Fed sources, end of year .....                | -40         | -40       | -40       |
| 3100 Obligated balance, end of year (net) .....                       | 118         | 112       | 102       |
| <b>Budget authority and outlays, net:</b>                             |             |           |           |
| <b>Discretionary:</b>                                                 |             |           |           |
| 4000 Budget authority, gross .....                                    | 360         | 349       | 346       |
| <b>Outlays, gross:</b>                                                |             |           |           |
| 4010 Outlays from new discretionary authority .....                   | 267         | 277       | 275       |
| 4011 Outlays from discretionary balances .....                        | 86          | 120       | 81        |
| 4020 Outlays, gross (total) .....                                     | 353         | 397       | 356       |
| <b>Offsets against gross budget authority and outlays:</b>            |             |           |           |
| <b>Offsetting collections (collected) from:</b>                       |             |           |           |
| 4030 Federal sources .....                                            | -21         | -23       | -23       |
| 4033 Non-Federal sources .....                                        | -4          | -2        | -2        |
| 4040 Offsets against gross budget authority and outlays (total) ...   | -25         | -25       | -25       |
| <b>Additional offsets against gross budget authority only:</b>        |             |           |           |
| 4050 Change in uncollected pymts, Fed sources, unexpired .....        | -1          |           |           |
| 4070 Budget authority, net (discretionary) .....                      | 334         | 324       | 321       |
| 4080 Outlays, net (discretionary) .....                               | 328         | 372       | 331       |
| 4180 Budget authority, net (total) .....                              | 334         | 324       | 321       |
| 4190 Outlays, net (total) .....                                       | 328         | 372       | 331       |

The 2013 Budget requests \$292,796,000 for Forest and Rangeland Research (Forest Service R&D), a decrease of \$2,504,000 below the 2012 enacted level. Funding maintains an essential level of basic research associated with the Priority Research Areas and Strategic Program Areas. Forest Service R&D provides scientific information and new technologies to support sustainable management of the Nation's forests and rangelands. Forest Service R&D conducts ecological and social science research to understand ecosystems, how humans influence those ecosystems, how those ecosystems respond to the impacts of climate change, and how forests can be managed sustainably to enable both environmental conservation and economic opportunities. These products and services increase the basic biological and physical

FOREST AND RANGELAND RESEARCH—Continued

knowledge of the composition, structure, and function of forest and grassland ecosystems.

Forest Service R&D is federally mandated to provide new knowledge and technologies to foster healthy watersheds, forest products, wildlife protection, outdoor recreation opportunities, and other benefits, across all U.S. territories and States. Research is conducted at five Research Stations, the Forest Products Laboratory, and the International Institute of Tropical Forestry located in Puerto Rico. The Forest Service R&D structure has two components: Priority Research Areas and Strategic Program Areas. The Priority Research Areas address national needs in seven areas: Forest Inventory and Analysis, Forest Disturbances, Watershed Management and Restoration, Bioenergy and Biobased Products, Urban Natural Resources Stewardship, Nanotechnology, and Localized Needs Research. Strategic Program Areas include Wildland Fire and Fuels; Invasive Species; Recreation; Resource Management and Use; Water, Air, and Soil; Wildlife and Fish; and Inventory and Monitoring. The Budget sustains the outputs and products on which land managers depend for developing management options, strategies and systems for addressing current issues.

Object Classification (in millions of dollars)

| Identification code 12-1104-0-1-302                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| <b>Personnel compensation:</b>                                  |             |           |           |
| 11.1 Full-time permanent .....                                  | 153         | 151       | 145       |
| 11.3 Other than full-time permanent .....                       | 6           | 6         | 6         |
| 11.5 Other personnel compensation .....                         | 4           | 4         | 4         |
| 11.9 Total personnel compensation .....                         | 163         | 161       | 155       |
| 12.1 Civilian personnel benefits .....                          | 49          | 48        | 47        |
| 13.0 Benefits for former personnel .....                        | 1           | 1         | 1         |
| 21.0 Travel and transportation of persons .....                 | 7           | 6         | 6         |
| 22.0 Transportation of things .....                             | 2           | 2         | 2         |
| 23.1 Rental payments to GSA .....                               | 4           | 5         | 4         |
| 23.2 Rental payments to others .....                            | 4           | 5         | 4         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 7           | 7         | 7         |
| 24.0 Printing and reproduction .....                            | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....              | 25          | 26        | 24        |
| 25.3 Other goods and services from Federal sources .....        | 13          | 14        | 12        |
| 25.5 Research and development contracts .....                   | 36          | 55        | 34        |
| 25.7 Operation and maintenance of equipment .....               | 1           | 2         | 1         |
| 26.0 Supplies and materials .....                               | 7           | 8         | 6         |
| 31.0 Equipment .....                                            | 5           | 6         | 4         |
| 41.0 Grants, subsidies, and contributions .....                 | 14          | 19        | 13        |
| 99.0 Direct obligations .....                                   | 339         | 366       | 321       |
| 99.0 Reimbursable obligations .....                             | 26          | 25        | 25        |
| 99.9 Total new obligations .....                                | 365         | 391       | 346       |

Employment Summary

| Identification code 12-1104-0-1-302                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 2,138       | 2,113     | 2,084     |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 103         | 109       | 97        |

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with and providing technical and financial assistance to States, territories, possessions, and others, and for forest health management, including treatments of pests, pathogens, and invasive or noxious plants and for restoring and rehabilitating forests damaged by pests or invasive plants, cooperative forestry, and education and land conservation activities and conducting an international program as authorized, **[\$253,331,000]** *\$250,730,000*, to remain available until expended, as authorized by law; of which **[\$53,388,000]** *\$60,000,000* is to be derived from the Land and Water Conservation Fund. (*Department of the Interior, Environment, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-1105-0-1-302                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                            |             |           |           |
| 0001 State and private forestry .....                              | 340         | 377       | 310       |
| 0002 Forest Legacy .....                                           | 54          | 53        | 60        |
| 0799 Total direct obligations .....                                | 394         | 430       | 370       |
| 0801 Reimbursable program .....                                    | 59          | 60        | 55        |
| 0900 Total new obligations .....                                   | 453         | 490       | 425       |
| <b>Budgetary Resources:</b>                                        |             |           |           |
| Unobligated balance:                                               |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....              | 65          | 91        | 35        |
| 1021 Recoveries of prior year unpaid obligations .....             | 9           | .....     | .....     |
| 1050 Unobligated balance (total) .....                             | 74          | 91        | 35        |
| Budget authority:                                                  |             |           |           |
| Appropriations, discretionary:                                     |             |           |           |
| 1100 Appropriation .....                                           | 225         | 200       | 191       |
| 1101 Appropriation (LWCF) .....                                    | 53          | 53        | 60        |
| 1121 Appropriations transferred from other accts [12-1115] .....   | 106         | 86        | 84        |
| 1130 Appropriations permanently reduced .....                      | -1          | .....     | .....     |
| 1160 Appropriation, discretionary (total) .....                    | 383         | 339       | 335       |
| Spending authority from offsetting collections, discretionary:     |             |           |           |
| 1700 Collected .....                                               | 57          | 95        | 95        |
| 1701 Change in uncollected payments, Federal sources .....         | 30          | .....     | .....     |
| 1750 Spending auth from offsetting collections, disc (total) ..... | 87          | 95        | 95        |
| 1900 Budget authority (total) .....                                | 470         | 434       | 430       |
| 1930 Total budgetary resources available .....                     | 544         | 525       | 465       |
| Memorandum (non-add) entries:                                      |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....              | 91          | 35        | 40        |
| <b>Change in obligated balance:</b>                                |             |           |           |
| Obligated balance, start of year (net):                            |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....      | 566         | 609       | 556       |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....  | -23         | -53       | -53       |
| 3020 Obligated balance, start of year (net) .....                  | 543         | 556       | 503       |
| 3030 Obligations incurred, unexpired accounts .....                | 453         | 490       | 425       |
| 3040 Outlays (gross) .....                                         | -401        | -543      | -524      |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....     | -30         | .....     | .....     |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....  | -9          | .....     | .....     |
| Obligated balance, end of year (net):                              |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                 | 609         | 556       | 457       |
| 3091 Uncollected pymts, Fed sources, end of year .....             | -53         | -53       | -53       |
| 3100 Obligated balance, end of year (net) .....                    | 556         | 503       | 404       |
| <b>Budget authority and outlays, net:</b>                          |             |           |           |
| Discretionary:                                                     |             |           |           |
| 4000 Budget authority, gross .....                                 | 470         | 434       | 430       |
| Outlays, gross:                                                    |             |           |           |
| 4010 Outlays from new discretionary authority .....                | 140         | 206       | 205       |
| 4011 Outlays from discretionary balances .....                     | 261         | 337       | 319       |
| 4020 Outlays, gross (total) .....                                  | 401         | 543       | 524       |
| Offsets against gross budget authority and outlays:                |             |           |           |
| Offsetting collections (collected) from:                           |             |           |           |
| 4030 Federal sources .....                                         | -57         | -95       | -95       |
| Additional offsets against gross budget authority only:            |             |           |           |
| 4050 Change in uncollected pymts, Fed sources, unexpired .....     | -30         | .....     | .....     |
| 4070 Budget authority, net (discretionary) .....                   | 383         | 339       | 335       |
| 4080 Outlays, net (discretionary) .....                            | 344         | 448       | 429       |
| 4180 Budget authority, net (total) .....                           | 383         | 339       | 335       |
| 4190 Outlays, net (total) .....                                    | 344         | 448       | 429       |

The 2013 Budget requests \$250,730,000 for State and Private Forestry (S&PF), a program decrease of \$2,196,000 below the 2012 enacted level. Funds provide technical and financial assistance to landowners and resource managers. S&PF programs help sustain the Nation's urban and rural forests and protect communities and the environment from wildland fires, insects, disease, and invasive plants. S&PF provides assistance to landowners and resource managers to help sustain forests on State and private lands, in both rural and urban areas, to meet domestic and international demands for goods and services. S&PF programs also help facilitate sound stewardship and provide tools to address forest health threats on lands of all ownerships on a

landscape scale, while maintaining the flexibility for individual forest landowners to pursue their objectives. The International Forestry program is included as part of the S&PF appropriation. To improve the transparency of funding for forest health and fire assistance, the budget proposes to shift funds for State and Volunteer Fire Assistance from S&PF to Wildland Fire Management (WFM) and Federal and Cooperative Forest Health Management from WFM to S&PF. This allows for the full funding amount to be reflected in a single account.

**Landscape Scale Restoration.**—The Budget establishes the Landscape Scale Restoration program and formalizes the S&PF Redesign process. It includes funding for competitive projects focused on issues and landscapes of national importance and on activities that promise meaningful outcomes on the ground. Building upon the successes of the State and Private Forestry Redesign process, Landscape Scale Restoration focuses and prioritizes resources to better shape and influence forest land use on a scale, and in a way, that optimizes public benefits from trees and forests. The funds continue to improve our ability to identify the greatest threats to forest sustainability and accomplish meaningful change in high-priority areas. As a competitive grant program, it provides flexible opportunities to fund innovative projects across program boundaries and across landscape jurisdictions to address priorities and needs consistent with the State Forest Action Plans. Projects will focus on restoring healthy and resilient forests and communities in priority areas that States have identified. These high-priority needs are essential to addressing today's critical restoration issues on Federal, State and private lands. This program will continue to help ensure the ability of the Nation's forests to sustain and enrich the well-being of all citizens and communities.

**Forest Health Management.**—Includes funding for Federal and cooperative lands to maintain healthy, productive ecosystems by preventing, detecting, and suppressing damaging native and invasive forest and tree insects and diseases across all land ownerships and invasive plants on cooperative lands. Through the continued use of a science-based forest health risk map, the Budget reflects allocations of program funding that address national priorities and reduce risk in the most effective and efficient manner. The agency will document changes in insect, disease, and invasive plant geographic range, population dynamics of host preferences of pests, and other changes in pest activity and will explore gene conservation efforts to conserve at-risk tree species projected to be negatively impacted by climate change.

**Cooperative Fire Protection.**—Activities conducted under the Cooperative Fire Protection program are shifted to the Wildland Fire Management appropriation. The Budget includes funding to enhance the capacity of States to provide effective initial attack and coordinated fire suppression response, reduce hazardous fuels in and adjacent to communities, and purchase and maintain equipment. Funding also supports training, planning, and fire prevention education that include the "Smokey Bear" and Fire-wise programs.

**Cooperative Forestry.**—Includes funding for the Forest Stewardship, Forest Legacy, Community Forest and Open Space Conservation, and Urban and Community Forestry programs. This suite of complementary programs helps maintain the integrity of our nation's valuable forested landscapes and supports the Federal interest in obtaining public benefits from private forests that include an array of social, economic, and environmental benefits. The Cooperative Forestry programs will continue to provide assistance to landowners, conserve private lands, and support the priorities identified in State Forest Action Plans. The Forest

Service will track how cooperative funds are targeted to priority areas and themes identified in these Forest Action Plans.

**The Forest Stewardship Program.**—Provides professional forestry assistance to landowners to encourage sound environmental management of non-industrial private forest lands.

**Forest Legacy Program.**—Partners with States to protect environmentally sensitive forestlands. Consistent with the President's commitment to the America's Great Outdoors Initiative, the Budget includes funding for the Forest Legacy Program through the Land and Water Conservation Fund to support the acquisition of conservation easements and other interests in forest lands threatened by conversion. These conservation easements will protect air and water quality, provide access for recreation, and provide habitat for threatened or endangered wildlife and fish.

**Community Forest and Open Space Conservation.**—Achieves community benefits through grants to local governments, Tribal Governments, and nonprofit organizations to establish community forests by acquiring and protecting forestlands.

**Urban and Community Forestry.**—Provides technical, financial and educational assistance to cities and towns nationwide so they can improve the condition and extent of their trees and forests to achieve the full range of benefits and services from these resources. This program improves the lives of most Americans near where they live and work.

**International Forestry.**—Provides funding for high priority investments in natural resource conservation issues, including invasive species, biodiversity conservation, migratory species, and advancing U.S. policy interests.

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

| Identification code 12-1105-0-1-302                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| <b>Personnel compensation:</b>                                  |             |           |           |
| 11.1 Full-time permanent .....                                  | 53          | 44        | 44        |
| 11.3 Other than full-time permanent .....                       | 3           | 2         | 2         |
| 11.5 Other personnel compensation .....                         | 2           | 2         | 2         |
| 11.9 Total personnel compensation .....                         | 58          | 48        | 48        |
| 12.1 Civilian personnel benefits .....                          | 16          | 15        | 14        |
| 21.0 Travel and transportation of persons .....                 | 4           | 4         | 3         |
| 22.0 Transportation of things .....                             | 1           | 1         | 1         |
| 23.1 Rental payments to GSA .....                               | 2           | 2         | 2         |
| 23.2 Rental payments to others .....                            | 2           | 2         | 2         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 2           | 2         | 2         |
| 24.0 Printing and reproduction .....                            | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....              | 21          | 23        | 23        |
| 25.3 Other goods and services from Federal sources .....        | 5           | 6         | 4         |
| 25.5 Research and development contracts .....                   | 3           | 4         | 2         |
| 26.0 Supplies and materials .....                               | 3           | 4         | 2         |
| 31.0 Equipment .....                                            | 1           | 1         | 1         |
| 41.0 Grants, subsidies, and contributions .....                 | 274         | 317       | 265       |
| 99.0 Direct obligations .....                                   | 393         | 430       | 370       |
| 99.0 Reimbursable obligations .....                             | 58          | 60        | 55        |
| 99.5 Below reporting threshold .....                            | 2           |           |           |
| 99.9 Total new obligations .....                                | 453         | 490       | 425       |

**Employment Summary**

| Identification code 12-1105-0-1-302                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 734         | 608       | 606       |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 38          | 38        | 38        |

**MANAGEMENT OF NATIONAL FOREST LANDS FOR SUBSISTENCE USES**

【For necessary expenses of the Forest Service to manage Federal lands in Alaska for subsistence uses under title VIII of the Alaska National Interest Lands Conservation Act (Public Law 96-487), \$2,577,000, to

MANAGEMENT OF NATIONAL FOREST LANDS FOR SUBSISTENCE  
USES—Continued

remain available until expended.] (*Department of the Interior, Environment, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-1119-0-1-302                                 | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                             |             |           |           |
| 0001 Management of national forest lands for subsistence uses ..... | 3           | 3         | .....     |
| <b>Budgetary Resources:</b>                                         |             |           |           |
| Budget authority:                                                   |             |           |           |
| Appropriations, discretionary:                                      |             |           |           |
| 1100 Appropriation .....                                            | 3           | 3         | .....     |
| 1160 Appropriation, discretionary (total) .....                     | 3           | 3         | .....     |
| 1930 Total budgetary resources available .....                      | 3           | 3         | .....     |
| <b>Change in obligated balance:</b>                                 |             |           |           |
| Obligated balance, start of year (net):                             |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....       | 1           | 1         | 2         |
| 3030 Obligations incurred, unexpired accounts .....                 | 3           | 3         | .....     |
| 3040 Outlays (gross) .....                                          | -3          | -2        | -1        |
| Obligated balance, end of year (net):                               |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                  | 1           | 2         | 1         |
| 3100 Obligated balance, end of year (net) .....                     | 1           | 2         | 1         |
| <b>Budget authority and outlays, net:</b>                           |             |           |           |
| Discretionary:                                                      |             |           |           |
| 4000 Budget authority, gross .....                                  | 3           | 3         | .....     |
| Outlays, gross:                                                     |             |           |           |
| 4010 Outlays from new discretionary authority .....                 | 2           | 2         | .....     |
| 4011 Outlays from discretionary balances .....                      | 1           | .....     | 1         |
| 4020 Outlays, gross (total) .....                                   | 3           | 2         | 1         |
| 4180 Budget authority, net (total) .....                            | 3           | 3         | .....     |
| 4190 Outlays, net (total) .....                                     | 3           | 2         | 1         |

The 2013 Budget requests no funding under this heading for Management of National Forest Lands for Subsistence Uses. This appropriation is proposed for management within the National Forest System appropriation in 2013.

Object Classification (in millions of dollars)

| Identification code 12-1119-0-1-302                    | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                    |             |           |           |
| 11.1 Personnel compensation: Full-time permanent ..... | 1           | 1         | .....     |
| 21.0 Travel and transportation of persons .....        | 1           | 1         | .....     |
| 25.2 Other services from non-Federal sources .....     | 1           | 1         | .....     |
| 99.9 Total new obligations .....                       | 3           | 3         | .....     |

Employment Summary

| Identification code 12-1119-0-1-302                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 14          | 14        | .....     |

WILDLAND FIRE MANAGEMENT  
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for forest fire presuppression activities on National Forest System lands, for emergency fire suppression on or adjacent to such lands or other lands under fire protection agreement, hazardous fuels reduction on or adjacent to such lands, and for emergency rehabilitation of burned-over National Forest System lands and water, **[\$1,737,631,000] \$1,971,394,000**, to remain available until expended: *Provided*, That such funds including unobligated balances under this heading, are available for repayment of advances from other appropriations accounts previously transferred for such purposes: *Provided further*, That such funds shall be available to reimburse State and other cooperating entities for services provided in response to wildfire and other

emergencies or disasters to the extent such reimbursements by the Forest Service for non-fire emergencies are fully repaid by the responsible emergency management agency: *Provided further*, That, notwithstanding any other provision of law, **[\$7,262,000] \$7,226,000** of funds appropriated under this appropriation shall be available for the Forest Service in support of fire science research authorized by the Joint Fire Science Program, including all Forest Service authorities for the use of funds, such as contracts, grants, research joint venture agreements, and cooperative agreements: *Provided further*, That all authorities for the use of funds, including the use of contracts, grants, and cooperative agreements, available to execute the Forest and Rangeland Research appropriation, are also available in the utilization of these funds for Fire Science Research: *Provided further*, That funds provided shall be available for emergency rehabilitation and restoration, hazardous fuels reduction activities **[in the urban-wildland interface]**, support to Federal emergency response, and wildfire suppression activities of the Forest Service: *Provided further*, That of the funds provided, **[\$317,584,000] \$241,600,000** is for hazardous fuels reduction activities, **[\$21,734,000] and \$20,634,000** is for research activities and to make competitive research grants pursuant to the Forest and Rangeland Renewable Resources Research Act, as amended (16 U.S.C. 1641 et seq.), **[\$55,564,000** is for State fire assistance, **\$6,366,000** is for volunteer fire assistance, **\$15,983,000** is for forest health activities on Federal lands and **\$8,366,000** is for forest health activities on State and private lands]: *Provided further*, That amounts in this paragraph may be transferred to the **["State and Private Forestry", "National Forest System", and] "Forest and Rangeland Research"** **[accounts]** *account* to fund **[State fire assistance, volunteer fire assistance, forest health management,] forest and rangeland research[,]** and the Joint Fire Science Program[, vegetation and watershed management, heritage site rehabilitation, and wildlife and fish habitat management and restoration]: *Provided further*, That the costs of implementing any cooperative agreement between the Federal Government and any non-Federal entity may be shared, as mutually agreed on by the affected parties: *Provided further*, That **[up to \$15,000,000 of the]** funds provided herein may be used by the Secretary of Agriculture to enter into procurement contracts or cooperative agreements or to issue grants for hazardous fuels reduction and for training or monitoring associated with such hazardous fuels reduction activities on Federal land or on non-Federal land if the Secretary determines such activities **[implement a community wildfire protection plan (or equivalent) and] benefit resources on Federal land: Provided further**, That funds made available to implement the Community Forest Restoration Act, Public Law 106-393, title VI, shall be available for use on non-Federal lands in accordance with authorities made available to the Forest Service under the "State and Private Forestry" appropriation: *Provided further*, That the Secretary of the Interior and the Secretary of Agriculture may authorize the transfer of funds appropriated for wildland fire management, in an aggregate amount not to exceed \$50,000,000, between the Departments when such transfers would facilitate and expedite wildland fire management programs and projects: *Provided further*, That, of the funds provided for hazardous fuels reduction, not to exceed \$5,000,000 may be used to make grants, using any authorities available to the Forest Service under the "State and Private Forestry" appropriation, for the purpose of creating incentives for increased use of biomass from National Forest System lands[: *Provided further*, That no amounts may be cancelled from amounts that were designated by the Congress as an emergency requirement pursuant to the Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That before obligating any of the funds provided herein for wildland fire suppression, the Secretary of Agriculture shall obligate all unobligated balances previously made available under this heading (including the unobligated balances transferred to Forest Service accounts under this heading by division B of the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 (Public Law 110-329, 122 Stat. 3594)) that, when appropriated, were designated by Congress as an emergency requirement pursuant to the Concurrent Resolution on the Budget or the Balanced Budget and Emergency Deficit Control Act of 1985 and notify the Committees on Appropriations of the House of Representatives and the Senate in writing of the imminent need to begin obligating funds provided herein for wildland fire suppression: *Provided further*, That funds designated for wildfire suppression, including funds transferred from the "FLAME Wildfire

Suppression Reserve Fund", shall be assessed for cost pools on the same basis as such assessments are calculated against other agency programs: *Provided further*, That of the funds for hazardous fuels reduction, up to \$21,000,000 may be transferred to the "National Forest System" to support the Integrated Resource Restoration pilot program. (Department of the Interior, Environment, and Related Agencies Appropriations Act, 2012.)

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

| Identification code 12-1115-0-1-302                                  | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                              |             |           |           |
| 0001 Wildland fire management .....                                  | 2,462       | 2,286     | 2,196     |
| 0801 Reimbursable program .....                                      | 199         | 60        | 60        |
| 0900 Total new obligations .....                                     | 2,661       | 2,346     | 2,256     |
| <b>Budgetary Resources:</b>                                          |             |           |           |
| Unobligated balance:                                                 |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                | 510         | 372       | 22        |
| 1011 Unobligated balance transfer from other accts [12-1120] ....    | 151         |           |           |
| 1021 Recoveries of prior year unpaid obligations .....               | 55          |           |           |
| 1050 Unobligated balance (total) .....                               | 716         | 372       | 22        |
| Budget authority:                                                    |             |           |           |
| Appropriations, discretionary:                                       |             |           |           |
| 1100 Appropriation .....                                             | 2,172       | 1,738     | 1,971     |
| 1120 Appropriations transferred to other accts [14-1125] .....       | -5          |           |           |
| 1120 Transferred to other accounts [12-1104] .....                   | -28         | -28       | -28       |
| 1120 Transferred to other accounts [12-1105] .....                   | -106        | -86       | -84       |
| 1120 Transferred to other accounts [12-1106] .....                   | -12         |           |           |
| 1121 Appropriations transferred from other accts [14-1125] ....      | 3           |           |           |
| 1121 Transferred from other accounts [12-1120] .....                 | 290         | 315       | 315       |
| 1130 Appropriations permanently reduced .....                        | -4          |           |           |
| 1131 Unobligated balance of appropriations permanently reduced ..... | -200        |           |           |
| 1141 Approp permanently reduced (Sec 436, HR 2055) .....             |             | -3        |           |
| 1160 Appropriation, discretionary (total) .....                      | 2,110       | 1,936     | 2,174     |
| Spending authority from offsetting collections, discretionary:       |             |           |           |
| 1700 Collected .....                                                 | 58          | 60        | 60        |
| 1701 Change in uncollected payments, Federal sources .....           | 149         |           |           |
| 1750 Spending auth from offsetting collections, disc (total) .....   | 207         | 60        | 60        |
| 1900 Budget authority (total) .....                                  | 2,317       | 1,996     | 2,234     |
| 1930 Total budgetary resources available .....                       | 3,033       | 2,368     | 2,256     |
| Memorandum (non-add) entries:                                        |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                | 372         | 22        |           |
| <b>Change in obligated balance:</b>                                  |             |           |           |
| Obligated balance, start of year (net):                              |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....        | 998         | 983       | 631       |
| 3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....    | -80         | -229      | -229      |
| 3020 Obligated balance, start of year (net) .....                    | 918         | 754       | 402       |
| 3030 Obligations incurred, unexpired accounts .....                  | 2,661       | 2,346     | 2,256     |
| 3031 Obligations incurred, expired accounts .....                    | 3           |           |           |
| 3040 Outlays (gross) .....                                           | -2,620      | -2,698    | -2,443    |
| 3050 Change in uncollected pymts, Fed sources, unexpired .....       | -149        |           |           |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....    | -55         |           |           |
| 3081 Recoveries of prior year unpaid obligations, expired .....      | -4          |           |           |
| Obligated balance, end of year (net):                                |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                   | 983         | 631       | 444       |
| 3091 Uncollected pymts, Fed sources, end of year .....               | -229        | -229      | -229      |
| 3100 Obligated balance, end of year (net) .....                      | 754         | 402       | 215       |
| <b>Budget authority and outlays, net:</b>                            |             |           |           |
| Discretionary:                                                       |             |           |           |
| 4000 Budget authority, gross .....                                   | 2,317       | 1,996     | 2,234     |
| Outlays, gross:                                                      |             |           |           |
| 4010 Outlays from new discretionary authority .....                  | 2,047       | 1,700     | 1,902     |
| 4011 Outlays from discretionary balances .....                       | 573         | 998       | 541       |
| 4020 Outlays, gross (total) .....                                    | 2,620       | 2,698     | 2,443     |
| Offsets against gross budget authority and outlays:                  |             |           |           |
| Offsetting collections (collected) from:                             |             |           |           |
| 4030 Federal sources .....                                           | -7          | -7        | -7        |
| 4033 Non-Federal sources .....                                       | -51         | -53       | -53       |
| 4040 Offsets against gross budget authority and outlays (total) .... | -58         | -60       | -60       |
| Additional offsets against gross budget authority only:              |             |           |           |
| 4050 Change in uncollected pymts, Fed sources, unexpired .....       | -149        |           |           |
| 4070 Budget authority, net (discretionary) .....                     | 2,110       | 1,936     | 2,174     |
| 4080 Outlays, net (discretionary) .....                              | 2,562       | 2,638     | 2,383     |
| 4180 Budget authority, net (total) .....                             | 2,110       | 1,936     | 2,174     |

|                                 |       |       |       |
|---------------------------------|-------|-------|-------|
| 4190 Outlays, net (total) ..... | 2,562 | 2,638 | 2,383 |
|---------------------------------|-------|-------|-------|

The 2013 Budget requests \$1,971,394,000 for Wildland Fire Management (WFM), an increase of \$236,543,000 above the 2012 enacted level to fund Forest Service fire preparedness, fire suppression, hazardous fuels treatments, joint fire sciences, research and development, and cooperative fire programs on National Forest System (NFS) lands, adjacent State and private lands, and other lands under fire protection agreement.

**Preparedness.**—To protect NFS lands from damage by wildfires commensurate with the threat to life, values at risk, public values, and management objectives.

Preparedness provides the basic fire organization and capability to prevent forest fires and to take prompt, effective initial attack suppression operations action on wildfires. This funding covers expenses associated with planning, prevention, detection, information, and education; pre-incident training; equipment and supply purchase and replacement; aviation services; and other preparedness activities.

Through this program the Forest Service also assists other Federal agencies and States with planning assistance, sharing joint equipment use contracts, and interagency fire coordination centers. Readiness levels reflect improvements in efficiencies and management controls, including those gained through a centralized aviation services office, as well as management of national shared resources such as: large airtankers, helitankers, hotshot crews and smokejumpers.

**Suppression.**—Risk-informed suppression of wildland fires on or threatening NFS lands, Department of the Interior lands, or other lands under fire protection agreements. The Budget request responsibly budgets for wildfires, providing funding at the 10-year average of suppression costs, adjusted for inflation, and includes indirect costs as required by Congress. Suppression, FLAME, and preparedness costs have been realigned to inform accurate costs of initial attack, large complex fires, and readiness. To improve the management of wildland fire resources, the Forest Service will:

- Utilize the Senior Fire Leadership Council to provide executive level oversight and leadership of Wildland Fire Suppression practices.

- Implement key findings from large fire cost reviews.

- Continue implementation of performance improvements including monitoring and analyzing large fire suppression expenditures with the stratified cost index and reducing the number of human-caused ignitions.

- Utilize a risk-informed management response strategy for unplanned ignitions to manage risk, maximize resource utilization, manage loss and contain costs.

- Implement Phase 1 and Phase 2, and initiate development of Phase 3 of the Cohesive Strategy for Wildland Fire Management.

- Accurately share firefighting costs in the Wildland Urban Interface (WUI) between responding agencies.

- Continue to use the Wildland Fire Decision Support System (WFDDSS) to support managers in analyzing risk relative to strategic suppression decisions which affect suppression costs, firefighter and public safety, and impacts to property and resources.

- Utilize an integrated system to procure and allocate firefighting assets that improves the systems for determining the appropriate type and quantity of firefighting assets needed for the fire season or for effectively and efficiently procuring them.

- Place priority on those projects associated with a community wildfire protection plan, or equivalent.

WILDLAND FIRE MANAGEMENT—Continued

These actions highlight important refinements within the Forest Service wildland fire management program that strengthen oversight and accountability of suppression spending and use risk management principles to guide decision-making at the strategic, program, and operational levels. As part of these efforts, the Forest Service will categorize incidents by risk and apply operational and managerial protocols to guide the risk-informed allocation and use of resources; improve firefighter and community safety; and develop and use credible performance indicators. By identifying and analyzing risk in a systematic fashion, the Forest Service is better equipped to assess wildfire intensity and associated threats posed to lives, improved property, or the environment. This risk-informed fire protection system allows agency administrators the ability to choose from a full spectrum of wildfire management actions and appropriately scale their responses to the risks posed.

**Fire Operations - Other.**—The Other Fire Operations programs include Hazardous Fuels, National Fire Plan Research and Development, Joint Fire Sciences, State Fire Assistance, and Volunteer Fire Assistance. Funding will focus on treating hazardous fuels in the WUI and highest priority areas, research and technology transfer activities, and providing vital support to assist local communities and State foresters develop firefighting capacity to provide critical preparedness and response actions for communities at risk. The request provides funding for treatment of hazardous fuels within WUI and highest priority areas of NFS lands and adjacent State and private lands. Treatments for purposes other than community protection (non-Wildland Urban Interface) will be funded through the NFS appropriation.

Hazardous fuel reduction modifies the arrangement of or reduces the volume of naturally occurring flammable vegetation and forest litter. The program includes prescribed burning, mechanical treatments, and other methods. Treatments are designed to alter fire behavior and reduce negative impacts of wildland fires such as erosion or soils that, due to high fire temperatures, shed water rather than absorbing it. Managing forest fuels and increasing the use of fire is necessary to maintain the carbon sequestration capability of national forest lands.

The strategy of focusing treatments on the WUI and highest priority areas will help minimize large, destructive, and costly wildfires, thereby protecting both communities and natural resources, and reducing safety risks to firefighters and the public. In 2013, the Forest Service will continue to use the Hazardous Fuels Prioritization and Allocation (HFPAS) System to allocate funds to the field. Additional modifications to HFPAS will be made as better data and information becomes available. Funding will be prioritized for communities that have identified acres to be treated in Community Wildfire Protection Plans and made an investment in implementing local solutions to protection against wildland fire.

To improve the transparency of funding for forest health and fire assistance, the budget proposes to shift funds for State and Volunteer Fire Assistance from State and Private Forestry to WFM and Federal and Cooperative Forest Health Management from WFM to State and Private Forestry. This allows for the full funding amount to be reflected in a single account.

Object Classification (in millions of dollars)

| Identification code 12-1115-0-1-302       | 2011 actual | 2012 est. | 2013 est. |
|-------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                       |             |           |           |
| Personnel compensation:                   |             |           |           |
| 11.1 Full-time permanent .....            | 464         | 448       | 428       |
| 11.3 Other than full-time permanent ..... | 69          | 67        | 64        |
| 11.5 Other personnel compensation .....   | 274         | 265       | 253       |

|                                                                 |       |       |       |
|-----------------------------------------------------------------|-------|-------|-------|
| 11.8 Special personal services payments .....                   | 43    | 41    | 40    |
| 11.9 Total personnel compensation .....                         | 850   | 821   | 785   |
| 12.1 Civilian personnel benefits .....                          | 278   | 267   | 257   |
| 13.0 Benefits for former personnel .....                        | 34    | 31    | 30    |
| 21.0 Travel and transportation of persons .....                 | 62    | 60    | 60    |
| 22.0 Transportation of things .....                             | 8     | 7     | 8     |
| 23.1 Rental payments to GSA .....                               | 14    | 14    | 14    |
| 23.2 Rental payments to others .....                            | 29    | 29    | 29    |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 40    | 37    | 40    |
| 24.0 Printing and reproduction .....                            | 1     | 1     | 1     |
| 25.2 Other services from non-Federal sources .....              | 654   | 600   | 576   |
| 25.3 Other goods and services from Federal sources .....        | 179   | 156   | 156   |
| 25.4 Operation and maintenance of facilities .....              | 1     | 1     | 1     |
| 25.5 Research and development contracts .....                   | 1     | 1     | 1     |
| 25.7 Operation and maintenance of equipment .....               | 4     | 4     | 4     |
| 26.0 Supplies and materials .....                               | 72    | 66    | 64    |
| 31.0 Equipment .....                                            | 24    | 22    | 21    |
| 32.0 Land and structures .....                                  | 1     | 1     | 1     |
| 41.0 Grants, subsidies, and contributions .....                 | 209   | 167   | 147   |
| 42.0 Insurance claims and indemnities .....                     | 1     | 1     | 1     |
| 99.0 Direct obligations .....                                   | 2,462 | 2,286 | 2,196 |
| 99.0 Reimbursable obligations .....                             | 198   | 60    | 60    |
| 99.5 Below reporting threshold .....                            | 1     | ..... | ..... |
| 99.9 Total new obligations .....                                | 2,661 | 2,346 | 2,256 |

Employment Summary

| Identification code 12-1115-0-1-302                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....       | 12,326      | 11,824    | 11,387    |
| 2001 Reimbursable civilian full-time equivalent employment ..... | 38          | 37        | 38        |

FLAME WILDFIRE SUPPRESSION RESERVE FUND

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for large fire suppression operations of the Department of Agriculture and as a reserve fund for suppression and Federal emergency response activities, **[\$315,886,000]** \$315,000,000, to remain available until expended: *Provided*, That such amounts are available only for transfer to the "Wildland Fire Management" account and only following a declaration by the Secretary that either (1) a wildland fire suppression event meets certain previously established risk-based written criteria for significant complexity, severity, or threat posed by the fire or (2) funds in the "Wildland Fire Management" account will be exhausted within 30 days. (*Department of the Interior, Environment, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

| Identification code 12-1120-0-1-302                                  | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Budgetary Resources:</b>                                          |             |           |           |
| Unobligated balance:                                                 |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                | 351         | .....     | .....     |
| 1010 Unobligated balance transfer to other accts [12-1115] .....     | -151        | .....     | .....     |
| 1050 Unobligated balance (total) .....                               | 200         | .....     | .....     |
| Budget authority:                                                    |             |           |           |
| Appropriations, discretionary:                                       |             |           |           |
| 1100 Appropriation .....                                             | 291         | 316       | 315       |
| 1120 Transferred to other accounts [12-1115] .....                   | -290        | -315      | -315      |
| 1130 Appropriations permanently reduced .....                        | -1          | .....     | .....     |
| 1131 Unobligated balance of appropriations permanently reduced ..... | -200        | .....     | .....     |
| 1141 Approp permanently reduced (Sec 436, HR 2055) .....             | .....       | -1        | .....     |
| 1160 Appropriation, discretionary (total) .....                      | -200        | .....     | .....     |
| <b>Budget authority and outlays, net:</b>                            |             |           |           |
| Discretionary:                                                       |             |           |           |
| 4000 Budget authority, gross .....                                   | -200        | .....     | .....     |
| 4180 Budget authority, net (total) .....                             | -200        | .....     | .....     |

The 2013 Budget requests \$315,000,000 for the FLAME Wildfire Suppression Reserve Fund, a decrease of \$381,000 below the 2012 enacted level. The FLAME Wildfire Suppression Reserve Fund and the Wildland Fire Management appropriations fully

fund the 10-year average cost of fire suppression obligations, adjusted for inflation. The Secretary may permit transfers from this account to cover severe complex fire events. The Secretary may also transfer funds in the event that USDA has exhausted its suppression resources due to an active fire season.

**RANGE BETTERMENT FUND**

For necessary expenses of range rehabilitation, protection, and improvement, 50 percent of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the 16 Western States, pursuant to section 401(b)(1) of Public Law 94–579, as amended, to remain available until expended, of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements. (*Department of the Interior, Environment, and Related Agencies Appropriations Act, 2012.*)

**Special and Trust Fund Receipts** (in millions of dollars)

| Identification code 12–5207–0–2–302                 | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year .....                   | 5           | 3         | 3         |
| Adjustments:                                        |             |           |           |
| 0190 Adjustment - multiple years of rounding .....  | -2          |           |           |
| 0199 Balance, start of year .....                   | 3           | 3         | 3         |
| Receipts:                                           |             |           |           |
| 0220 Receipts, Cooperative Range Improvements ..... | 3           | 3         | 3         |
| 0400 Total: Balances and collections .....          | 6           | 6         | 6         |
| Appropriations:                                     |             |           |           |
| 0500 Range Betterment Fund .....                    | -3          | -3        | -2        |
| 0799 Balance, end of year .....                     | 3           | 3         | 4         |

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

| Identification code 12–5207–0–2–302                           | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                       |             |           |           |
| 0001 Range betterment fund .....                              | 3           | 3         | 2         |
| <b>Budgetary Resources:</b>                                   |             |           |           |
| Unobligated balance:                                          |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....         | 1           | 1         | 1         |
| Budget authority:                                             |             |           |           |
| Appropriations, discretionary:                                |             |           |           |
| 1101 Appropriation (special or trust fund) .....              | 3           | 3         | 2         |
| 1160 Appropriation, discretionary (total) .....               | 3           | 3         | 2         |
| 1930 Total budgetary resources available .....                | 4           | 4         | 3         |
| Memorandum (non-add) entries:                                 |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....         | 1           | 1         | 1         |
| <b>Change in obligated balance:</b>                           |             |           |           |
| Obligated balance, start of year (net):                       |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) ..... | 1           | 2         | 2         |
| 3030 Obligations incurred, unexpired accounts .....           | 3           | 3         | 2         |
| 3040 Outlays (gross) .....                                    | -2          | -3        | -3        |
| Obligated balance, end of year (net):                         |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....            | 2           | 2         | 1         |
| 3100 Obligated balance, end of year (net) .....               | 2           | 2         | 1         |
| <b>Budget authority and outlays, net:</b>                     |             |           |           |
| Discretionary:                                                |             |           |           |
| 4000 Budget authority, gross .....                            | 3           | 3         | 2         |
| Outlays, gross:                                               |             |           |           |
| 4010 Outlays from new discretionary authority .....           | 1           | 2         | 2         |
| 4011 Outlays from discretionary balances .....                | 1           | 1         | 1         |
| 4020 Outlays, gross (total) .....                             | 2           | 3         | 3         |
| 4180 Budget authority, net (total) .....                      | 3           | 3         | 2         |
| 4190 Outlays, net (total) .....                               | 2           | 3         | 3         |

The 2013 Budget requests \$2,360,000 for the Range Betterment Fund, a decrease of \$897,000 below the 2012 enacted level. This program emphasizes essential structural and non-structural improvements prescribed in grazing allotment National Environ-

mental Policy Act decision documents. Treatment of invasive plant species related to permitted livestock use continues to be a priority for non-structural rangeland improvement work. Fifty percent of grazing fees from National Forests in the 16 western States, once appropriated, are used to protect and improve rangeland productivity primarily through revegetation, construction and reconstruction, and maintenance of improvements under authority of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1751), as amended.

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

| Identification code 12–5207–0–2–302                    | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                    |             |           |           |
| 11.1 Personnel compensation: Full-time permanent ..... | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....     |             | 1         |           |
| 26.0 Supplies and materials .....                      | 2           | 1         | 1         |
| 99.9 Total new obligations .....                       | 3           | 3         | 2         |

**Employment Summary**

| Identification code 12–5207–0–2–302                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 9           | 12        | 10        |

**STEWARDSHIP CONTRACTING PRODUCT SALES**

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

| Identification code 12–5540–0–2–302                           | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                       |             |           |           |
| 0001 Stewardship contracting .....                            | 10          | 10        | 9         |
| <b>Budgetary Resources:</b>                                   |             |           |           |
| Unobligated balance:                                          |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....         | 9           | 7         | 5         |
| Budget authority:                                             |             |           |           |
| Appropriations, mandatory:                                    |             |           |           |
| 1201 Appropriation (special or trust fund) .....              | 8           | 8         | 8         |
| 1260 Appropriations, mandatory (total) .....                  | 8           | 8         | 8         |
| 1930 Total budgetary resources available .....                | 17          | 15        | 13        |
| Memorandum (non-add) entries:                                 |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....         | 7           | 5         | 4         |
| <b>Change in obligated balance:</b>                           |             |           |           |
| Obligated balance, start of year (net):                       |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) ..... | 3           | 10        | 6         |
| 3030 Obligations incurred, unexpired accounts .....           | 10          | 10        | 9         |
| 3040 Outlays (gross) .....                                    | -3          | -14       | -15       |
| Obligated balance, end of year (net):                         |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....            | 10          | 6         |           |
| 3100 Obligated balance, end of year (net) .....               | 10          | 6         |           |
| <b>Budget authority and outlays, net:</b>                     |             |           |           |
| Mandatory:                                                    |             |           |           |
| 4090 Budget authority, gross .....                            | 8           | 8         | 8         |
| Outlays, gross:                                               |             |           |           |
| 4100 Outlays from new mandatory authority .....               | 1           | 4         | 4         |
| 4101 Outlays from mandatory balances .....                    | 2           | 10        | 11        |
| 4110 Outlays, gross (total) .....                             | 3           | 14        | 15        |
| 4180 Budget authority, net (total) .....                      | 8           | 8         | 8         |
| 4190 Outlays, net (total) .....                               | 3           | 14        | 15        |

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

| Identification code 12–5540–0–2–302                | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------|-------------|-----------|-----------|
| Direct obligations:                                |             |           |           |
| 25.2 Other services from non-Federal sources ..... | 9           | 9         | 8         |
| 41.0 Grants, subsidies, and contributions .....    | 1           | 1         | 1         |
| 99.9 Total new obligations .....                   | 10          | 10        | 9         |

STEWARDSHIP CONTRACTING PRODUCT SALES—Continued  
Employment Summary

| Identification code 12–5540–0–2–302                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 2           |           |           |

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, **[\$52,605,000]** *\$57,934,000*, to be derived from the Land and Water Conservation Fund and to remain available until expended.

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, Sequoia, and Cleveland National Forests, California, as authorized by law, **\$955,000**, to be derived from forest receipts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, such sums, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities, and for authorized expenditures from funds deposited by non-Federal parties pursuant to Land Sale and Exchange Acts, pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended (16 U.S.C. 4601-516–617a, 555a; Public Law 96–586; Public Law 76–589, 76–591; and Public Law 78–310). (*Department of the Interior, Environment, and Related Agencies Appropriations Act, 2012.*)

Special and Trust Fund Receipts (in millions of dollars)

| Identification code 12–9923–0–2–302                                                                       | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year .....                                                                         |             | 2         | 3         |
| Adjustments:                                                                                              |             |           |           |
| 0190 Adjustment - to reconcile to Treasury unappropriated receipts balance .....                          | 2           |           |           |
| 0199 Balance, start of year .....                                                                         | 2           | 2         | 3         |
| Receipts:                                                                                                 |             |           |           |
| 0220 Deposits, Acquisitions of Lands for National Forests, Special Acts .....                             | 1           | 1         | 1         |
| 0221 Land Acquisition Proceeds for Exchanges, Acquisition of Lands to Complete Land Exchanges .....       | 9           | 24        | 9         |
| 0222 Facility Realignment and Enhancement Receipts, Acquisition of Lands to Complete Land Exchanges ..... |             | 1         | 1         |
| 0299 Total receipts and collections .....                                                                 | 10          | 26        | 11        |
| 0400 Total: Balances and collections .....                                                                | 12          | 28        | 14        |
| Appropriations:                                                                                           |             |           |           |
| 0500 Land Acquisition .....                                                                               | -1          | -1        | -1        |
| 0501 Land Acquisition .....                                                                               | -9          | -24       | -9        |
| 0599 Total appropriations .....                                                                           | -10         | -25       | -10       |
| 0799 Balance, end of year .....                                                                           | 2           | 3         | 4         |

Program and Financing (in millions of dollars)

| Identification code 12–9923–0–2–302                    | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                |             |           |           |
| 0001 Land Acquisitions (5004) .....                    | 41          | 50        | 55        |
| 0002 Land Facilities Enhancement Fund (5216) .....     | 10          | 37        | 8         |
| 0003 Land Acquisition - Special Acts (5208) .....      | 1           | 1         | 1         |
| 0900 Total new obligations .....                       | 52          | 88        | 64        |
| <b>Budgetary Resources:</b>                            |             |           |           |
| Unobligated balance:                                   |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....  | 57          | 49        | 39        |
| 1021 Recoveries of prior year unpaid obligations ..... | 1           |           |           |

|                                                       |     |     |     |
|-------------------------------------------------------|-----|-----|-----|
| 1050 Unobligated balance (total) .....                | 58  | 49  | 39  |
| Budget authority:                                     |     |     |     |
| Appropriations, discretionary:                        |     |     |     |
| 1101 Appropriation: Land Acquisition (5004) .....     | 33  | 53  | 58  |
| 1101 Appropriation: Special Acts (1215208) .....      | 1   | 1   | 1   |
| 1160 Appropriation, discretionary (total) .....       | 34  | 54  | 59  |
| Appropriations, mandatory:                            |     |     |     |
| 1201 Appropriation (12–5216) .....                    | 9   | 24  | 9   |
| 1260 Appropriations, mandatory (total) .....          | 9   | 24  | 9   |
| 1900 Budget authority (total) .....                   | 43  | 78  | 68  |
| 1930 Total budgetary resources available .....        | 101 | 127 | 107 |
| Memorandum (non-add) entries:                         |     |     |     |
| 1941 Unexpired unobligated balance, end of year ..... | 49  | 39  | 43  |

Change in obligated balance:

|                                                                   |     |     |     |
|-------------------------------------------------------------------|-----|-----|-----|
| Obligated balance, start of year (net):                           |     |     |     |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 16  | 17  | 17  |
| 3030 Obligations incurred, unexpired accounts .....               | 52  | 88  | 64  |
| 3040 Outlays (gross) .....                                        | -50 | -88 | -77 |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -1  |     |     |
| Obligated balance, end of year (net):                             |     |     |     |
| 3090 Unpaid obligations, end of year (gross) .....                | 17  | 17  | 4   |
| 3100 Obligated balance, end of year (net) .....                   | 17  | 17  | 4   |

Budget authority and outlays, net:

|                                                     |    |    |    |
|-----------------------------------------------------|----|----|----|
| Discretionary:                                      |    |    |    |
| 4000 Budget authority, gross .....                  | 34 | 54 | 59 |
| Outlays, gross:                                     |    |    |    |
| 4010 Outlays from new discretionary authority ..... | 32 | 41 | 44 |
| 4011 Outlays from discretionary balances .....      | 8  | 39 | 26 |
| 4020 Outlays, gross (total) .....                   | 40 | 80 | 70 |
| Offsets against gross budget authority and outlays: |    |    |    |
| Offsetting collections (collected) from:            |    |    |    |
| Mandatory:                                          |    |    |    |
| 4090 Budget authority, gross .....                  | 9  | 24 | 9  |
| Outlays, gross:                                     |    |    |    |
| 4100 Outlays from new mandatory authority .....     |    | 5  | 2  |
| 4101 Outlays from mandatory balances .....          | 10 | 3  | 5  |
| 4110 Outlays, gross (total) .....                   | 10 | 8  | 7  |
| 4180 Budget authority, net (total) .....            | 43 | 78 | 68 |
| 4190 Outlays, net (total) .....                     | 50 | 88 | 77 |

The 2013 Budget requests \$59,116,000 for the Land Acquisition accounts, an increase of \$5,415,000 above the 2012 enacted level. This heading consolidates land acquisition authorities for acquisition of lands, waters, or interest therein, as authorized by law. Consistent with the President's commitment to the America's Great Outdoors Initiative, the Budget will provide funding for land acquisition through the Land and Water Conservation Fund to support the acquisition of high-priority forests and grasslands. The 2013 Federal Land Acquisition program builds on efforts started in 2011 and 2012 to strategically invest in interagency landscape-scale conservation projects while continuing to meet agency-specific programmatic needs. The Department of the Interior and the U.S. Forest Service collaborated extensively to develop a process to more effectively coordinate land acquisitions with government and local community partners to achieve the highest priority shared conservation goals.

*Land Acquisition.*—Lands and other interests are acquired adjacent to areas of the National Forest System for such purposes as outdoor recreation, wilderness management, wildlife habitat conservation, watershed protection and enhancement, resource management, and land consolidation.

*Acquisition of Lands of National Forests, Special Acts.*—To acquire lands within critical watersheds to provide soil stabilization and restoration of vegetation. Public Laws 76–589, 76–591 and 78–310 (54 Stat. 297, 298, 299, and 402; and 58 Stat. 227–228) authorize appropriations for the purchase of lands to minimize erosion and flood damage to critical watersheds within the following National Forests: the Cache, Uinta, and Wasatch, Utah; the Toiyabe, Nevada; and the Angeles, Cleveland, San Bernardino,



and Sequoia, California. Appropriations are made from receipts on these national forests.

**Acquisition of Lands to Complete Land Exchanges.**—Deposits are made by State, county, or municipal governments, public school authorities, or non-Federal parties and are used to acquire lands for National Forest System purposes or for other authorized purposes.

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

| Identification code 12–9923–0–2–302                      | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                               |             |           |           |
| 11.1 Personnel compensation: Full-time permanent .....   | 5           | 6         | 6         |
| 12.1 Civilian personnel benefits .....                   | 2           | 2         | 2         |
| 25.2 Other services from non-Federal sources .....       | 4           | 7         | 6         |
| 25.3 Other goods and services from Federal sources ..... | 1           | 2         | 1         |
| 32.0 Land and structures .....                           | 39          | 69        | 48        |
| 41.0 Grants, subsidies, and contributions .....          | 1           | 2         | 1         |
| 99.9 Total new obligations .....                         | 52          | 88        | 64        |

**Employment Summary**

| Identification code 12–9923–0–2–302                                    | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment .....             | 75          | 86        | 77        |
| 3001 Allocation account civilian full-time equivalent employment ..... | 144         | 150       | 150       |

**FOREST SERVICE PERMANENT APPROPRIATIONS**

**Special and Trust Fund Receipts** (in millions of dollars)

| Identification code 12–9921–0–2–999                                                                     | 2011 actual | 2012 est. | 2013 est. |
|---------------------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year .....                                                                       | 164         | 67        | 113       |
| <b>Adjustments:</b>                                                                                     |             |           |           |
| 0190 Adjustment - to reconcile to Treasury unappropriated receipts balance .....                        | -115        |           |           |
| 0199 Balance, start of year .....                                                                       | 49          | 67        | 113       |
| <b>Receipts:</b>                                                                                        |             |           |           |
| 0220 National Forests Fund .....                                                                        | -2          |           |           |
| 0221 National Forests Fund, Payments to States .....                                                    | 122         | 114       | 70        |
| 0222 Timber Roads, Purchaser Elections .....                                                            | 4           | 4         | 2         |
| 0223 National Forests Fund, Roads and Trails for States .....                                           | 4           | 12        | 12        |
| 0224 Timber Salvage Sales .....                                                                         | 26          | 20        | 20        |
| 0225 Deposits, Brush Disposal .....                                                                     | 8           | 8         | 8         |
| 0226 Rents and Charges for Quarters, Forest Service .....                                               | 8           | 9         | 9         |
| 0227 Timber Sales Pipeline Restoration Fund .....                                                       | 8           | 7         | 7         |
| 0228 Recreational Fee Demonstration Program, Forest Service .....                                       | 65          | 62        | 62        |
| 0229 Midewin National Tallgrass Prairie Rental Fees .....                                               | 2           | 1         | 1         |
| 0230 Charges, User Fees, and Natural Resource Utilization, Land between the Lakes, Forest Service ..... | 4           | 4         | 4         |
| 0231 Administration of Rights-of-way and Other Land Uses .....                                          | 1           | 2         | 2         |
| 0232 Miscellaneous Collections, Valles Caldera Fund .....                                               | 1           | 1         | 1         |
| 0233 Funds Retained, Stewardship Contracting Product Sales .....                                        | 8           | 8         | 8         |
| 0234 National Grasslands .....                                                                          | 42          | 53        | 62        |
| 0235 Miscellaneous Special Funds, Forest Service .....                                                  | 19          | 123       | 35        |
| 0299 Total receipts and collections .....                                                               | 320         | 428       | 303       |
| 0400 Total: Balances and collections .....                                                              | 369         | 495       | 416       |
| <b>Appropriations:</b>                                                                                  |             |           |           |
| 0500 Stewardship Contracting Product Sales .....                                                        | -8          | -8        | -8        |
| 0501 Forest Service Permanent Appropriations .....                                                      | -294        | -374      | -235      |
| 0502 Forest Service Permanent Appropriations .....                                                      |             |           | -45       |
| 0599 Total appropriations .....                                                                         | -302        | -382      | -288      |
| 0799 Balance, end of year .....                                                                         | 67          | 113       | 128       |

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

| Identification code 12–9921–0–2–999                                   | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                               |             |           |           |
| 0001 Brush disposal (5206) .....                                      | 7           | 11        | 12        |
| 0002 Restoration of forest lands and improvements (5215) .....        | 23          | 34        | 25        |
| 0003 Recreation fee demonstration / enhancement programs (5268) ..... | 78          | 74        | 65        |
| 0004 Timber roads - purchaser election program (5202) .....           |             | 1         | 2         |

|                                                                                         |     |     |     |
|-----------------------------------------------------------------------------------------|-----|-----|-----|
| 0005 Timber salvage sale program (5204) .....                                           | 23  | 21  | 28  |
| 0006 Timber pipeline restoration fund (includes forest botanical products) (5264) ..... | 6   | 7   | 11  |
| 0007 Roads and trails (10% Fund) (5203) .....                                           | 1   |     |     |
| 0008 Midewin Tallgrass Prairie funds (5277) .....                                       | 1   | 1   | 1   |
| 0009 Operation and maintenance of quarters (5219) .....                                 | 8   | 10  | 10  |
| 0010 Land between the lakes management fund (5360) .....                                | 4   | 5   | 5   |
| 0011 Valles Caldera fund (5363) .....                                                   | 1   | 1   | 1   |
| 0012 Administration of rights-of-way and other land uses (5361 - URRF, URMN) .....      | 1   | 3   | 1   |
| 0013 Payment to states - national forest fund (5201) .....                              | 120 | 114 | 64  |
| 0014 Payment to states - transfers from Treasury (1117) .....                           | 310 | 225 |     |
| 0015 Payments to Minnesota (5213) .....                                                 | 6   | 6   | 6   |
| 0016 Payments to counties - national grasslands (5896) .....                            | 15  | 15  | 15  |
| 0799 Total direct obligations .....                                                     | 604 | 528 | 246 |
| 0801 Admin rights of way - Reimbursable program (5361 - URMJ) .....                     | 5   | 6   | 6   |
| 0900 Total new obligations .....                                                        | 609 | 534 | 252 |

**Budgetary Resources:**

|                                                                    |       |       |     |
|--------------------------------------------------------------------|-------|-------|-----|
| <b>Unobligated balance:</b>                                        |       |       |     |
| 1000 Unobligated balance brought forward, Oct 1 .....              | 597   | 600   | 671 |
| 1021 Recoveries of prior year unpaid obligations .....             | 2     |       |     |
| 1050 Unobligated balance (total) .....                             | 599   | 600   | 671 |
| <b>Budget authority:</b>                                           |       |       |     |
| <b>Appropriations, discretionary:</b>                              |       |       |     |
| 1130 Appropriations permanently reduced .....                      |       |       | -12 |
| 1160 Appropriation, discretionary (total) .....                    |       |       | -12 |
| <b>Appropriations, mandatory:</b>                                  |       |       |     |
| 1200 Appropriation .....                                           | 310   | 225   |     |
| 1201 Appropriation (special or trust fund) .....                   | 294   | 374   | 235 |
| 1260 Appropriations, mandatory (total) .....                       | 604   | 599   | 235 |
| <b>Spending authority from offsetting collections, mandatory:</b>  |       |       |     |
| 1800 Collected .....                                               | 6     | 6     | 6   |
| 1850 Spending auth from offsetting collections, mand (total) ..... | 6     | 6     | 6   |
| 1900 Budget authority (total) .....                                | 610   | 605   | 229 |
| 1930 Total budgetary resources available .....                     | 1,209 | 1,205 | 900 |
| <b>Memorandum (non-add) entries:</b>                               |       |       |     |
| 1941 Unexpired unobligated balance, end of year .....              | 600   | 671   | 648 |

**Change in obligated balance:**

|                                                                   |      |      |      |
|-------------------------------------------------------------------|------|------|------|
| <b>Obligated balance, start of year (net):</b>                    |      |      |      |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....     | 80   | 84   | 32   |
| 3030 Obligations incurred, unexpired accounts .....               | 609  | 534  | 252  |
| 3040 Outlays (gross) .....                                        | -603 | -586 | -284 |
| 3080 Recoveries of prior year unpaid obligations, unexpired ..... | -2   |      |      |
| <b>Obligated balance, end of year (net):</b>                      |      |      |      |
| 3090 Unpaid obligations, end of year (gross) .....                | 84   | 32   |      |
| 3100 Obligated balance, end of year (net) .....                   | 84   | 32   |      |

**Budget authority and outlays, net:**

|                                                            |     |     |     |
|------------------------------------------------------------|-----|-----|-----|
| <b>Discretionary:</b>                                      |     |     |     |
| 4000 Budget authority, gross .....                         |     |     | -12 |
| <b>Outlays, gross:</b>                                     |     |     |     |
| 4010 Outlays from new discretionary authority .....        |     |     | -12 |
| <b>Mandatory:</b>                                          |     |     |     |
| 4090 Budget authority, gross .....                         | 610 | 605 | 241 |
| <b>Outlays, gross:</b>                                     |     |     |     |
| 4100 Outlays from new mandatory authority .....            | 317 | 514 | 205 |
| 4101 Outlays from mandatory balances .....                 | 286 | 72  | 91  |
| 4110 Outlays, gross (total) .....                          | 603 | 586 | 296 |
| <b>Offsets against gross budget authority and outlays:</b> |     |     |     |
| <b>Offsetting collections (collected) from:</b>            |     |     |     |
| 4123 Non-Federal sources .....                             | -6  | -6  | -6  |
| 4180 Budget authority, net (total) .....                   | 604 | 599 | 223 |
| 4190 Outlays, net (total) .....                            | 597 | 580 | 278 |

**Memorandum (non-add) entries:**

|                                                                  |  |   |   |
|------------------------------------------------------------------|--|---|---|
| 5000 Total investments, SOY: Federal securities: Par value ..... |  |   | 3 |
| 5001 Total investments, EOY: Federal securities: Par value ..... |  | 3 | 3 |

**Summary of Budget Authority and Outlays** (in millions of dollars)

|                                                | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------|-------------|-----------|-----------|
| <b>Enacted/requested:</b>                      |             |           |           |
| Budget Authority .....                         | 604         | 599       | 223       |
| Outlays .....                                  | 597         | 580       | 278       |
| <b>Legislative proposal, subject to PAYGO:</b> |             |           |           |
| Budget Authority .....                         |             |           | 255       |
| Outlays .....                                  |             |           | 216       |

FOREST SERVICE PERMANENT APPROPRIATIONS—Continued  
Summary of Budget Authority and Outlays—Continued

|                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------|-------------|-----------|-----------|
| Total:                 |             |           |           |
| Budget Authority ..... | 604         | 599       | 478       |
| Outlays .....          | 597         | 580       | 494       |

*Operation and Maintenance of Quarters.*—Quarters rental deductions are collected from employees occupying Forest Service facilities. Amounts are deposited into a special fund and are available for the maintenance and operation of employee-occupied quarters (5 U.S.C. 5911).

*Federal Lands Recreation Enhancement Fund.*—The Secretary may implement a fee program for certain recreation sites on Federal lands. Fees collected from users of recreation facilities are used to pay for on-the-ground operation, maintenance, and improvements of recreation sites and services to maintain and enhance recreation opportunities, visitor experiences, and related habitat. Funds are available until expended (16 U.S.C. 6806 and 6807, P.L. 108–447, Div. J, [title VIII, Sec. 807 and Sec. 808] Dec. 8, 2004, 118 Stat. 3388).

*Midwin National Tallgrass Prairie Rental Fees.*—Monies received under a special use authorization are available to cover the cost to the United States of prairie improvement work at the Midwin National Tallgrass Prairie (Public Law 104–106, Div. B, [Title XXIX, sec. 2915 (b), (c)], Feb. 10, 1996, 110 Stat. 601).

*Midwin National Tallgrass Prairie Restoration Fund.*—Monies received from user fees and the salvage value proceeds from sale of any facilities and improvements are available to cover the costs of restoration and administrative activities. (Public Law 104–106, Div. B, [Title XXIX, sec. 2915 (d), (e), and (f)], Feb. 10, 1996, 110 Stat. 601)

*Payment to Minnesota.*—At the close of each fiscal year, the State of Minnesota is paid 0.75 percent of the appraised value of certain Superior National Forest lands in the counties of Cook Lake and St. Louis for distribution to these counties (16 U.S.C. 577g).

*Payments to Counties, National Grasslands.*—This program provides an annual payment to counties in which Title III-Bankhead-Jones Acquired Lands are located for funding public schools and roads. Of the net revenues for use of Title III Bankhead-Jones Farm Tenant Act lands, 25 percent is paid to the counties in which such lands are located for public school and road purposes (7 U.S.C. 1012).

*Payments to States.*—The Secure Rural Schools and Community Self-Determination Act of 2000 (SRS Act), P.L. 106–393, was enacted to provide for transitional assistance to rural counties affected by the decline in revenue from timber harvests on federal lands. The last payment authorized under P.L. 106–393 was for 2006. Section 601 of Division C of P.L. 110–343 amends and reauthorizes the SRS Act (P.L. 106–393). The SRS Act, as amended, retains the original title. The amended SRS Act, which was similar to P.L. 106–393, although it is structured to phase out payments, is no longer authorized at the end of fiscal year 2011 with the last payment being issued in 2012. The Budget reflects a five-year reauthorization, starting in 2012, of the Secure Rural Schools Act with funding through mandatory appropriations. This SRS proposal revises the allocation split between the three portions of the program from the current authority emphasizing enhancement of forest ecosystems, restoration and improvement of land health and water quality and the increase of economic activity. The 2013 payment is proposed for \$294 million.

*Brush Disposal.*—Funds from payments by purchasers of National Forest timber to dispose of or treat slash and other debris that result from cutting operations (16 U.S.C. 490).

*Licensee Program.*—Funds from fees for the use of characters by private enterprises are collected under regulations promulgated by the Secretary as follows:

*Smokey Bear.*—For furthering the nationwide forest fire prevention campaign (16 U.S.C. 580p(2)).

*Woodsy Owl.*—For promoting wise use of the environment and programs which foster maintenance and improvement of environmental quality (16 U.S.C. 580p(1)).

*Restoration of Forestlands and Improvements.*—Funds from claim settlements involving damage to lands or improvements and from forfeiture of deposits and bonds by permittees and timber purchasers are used for the restoration made necessary by the action which led to the settlement of forfeiture (16 U.S.C. 579c).

*Timber Purchaser Election Roads Constructed by Forest Service.*—Funds from timber receipts for Government-constructed permanent roads for purchasers of timber who qualify as small businesses and elect to have the Forest Service construct the roads designated under the timber sale contract where costs exceed \$20,000 (16 U.S.C. 472a(i)).

*Tongass Timber Supply Fund.*—Funds from sales of Alaska timber to maintain the timber supply from the Tongass National Forest at a specified level (16 U.S.C. 539d).

*Timber Salvage Sales.*—Funds are used for salvage of insect-infested, dead, damaged, or down timber, and to remove associated trees for stand improvement (16 U.S.C. 472a(h)).

*Timber Sales Pipeline Restoration Fund.*—Funds are used for restoring the timber pipeline and funding the backlog of recreation projects on National Forest System lands (P.L. 104–134, Sec. 101 (c), [Title III Sec. 327], April 26, 1996, 110 Stat. 1321–206 and 207).

*Valles Caldera Fund.*—Funds authorized under the Valles Caldera Preservation Act (Public Law 106–248) are available without further appropriation for any purpose consistent with the purposes of the Act. Notwithstanding sections 1341 and 3302 of title 31 of the United States Code, all monies received from donations under subsection (g) or from the management of the Preserve shall be retained and shall be available, without further appropriation, for the administration, preservation, restoration, operation and maintenance, improvement, repair, and related expenses incurred with respect to properties under its management jurisdiction (16 U.S.C. 698v-4, 698v-6).

*Forest Botanical Products.*—Funds are used for the recovery of fair market value for the sale of forest botanical products; the collection of fees to cover the costs of analyzing, granting, modifying, and monitoring the harvest of these products; the determination of sustainable harvest levels; and the establishment of personal use levels for which fees would not be collected (16 U.S.C. 528 note).

*Stewardship Contracting.*—The Forest Service may enter into stewardship projects via agreement or contract to perform services to achieve land management goals and meet local and rural community needs. Stewardship contracting enables the Forest Service to apply the value of timber or other forest products from stewardship sales as an offset against the costs to accomplish land and resource management objectives. If the offset value exceeds the value of the resource improvement treatments, those receipts are retained and deposited in the Stewardship Contracting Fund and are available until expended for other authorized stewardship projects (16 U.S.C. 2104 note). The Budget proposes

permanent reauthorization of stewardship contracting. The current authority expires at the end of 2013.

**Roads and Trails (10 Percent) Fund.**—Under this fund, 10 percent of all national forest receipts are used by the Forest Service, to repair or reconstruct roads, bridges, and trails on NFS lands. Funds are directed towards correcting road and trail deficiencies that adversely affect ecosystems. Beginning in 1999 and continuing in subsequent appropriation acts, the authority was expanded to allow the use of funds for the purpose of improving forest health conditions, and repairing or reconstructing roads and bridges on NFS lands in the wildland-urban interface where there is an abnormally high risk of fire. The program reduces risk to human safety and public health and property, and enhances ecological functions, long-term forest productivity, and biological integrity (16 U.S.C. 501). Refer to the Capital Improvement and Maintenance appropriation for details of activities funded for roads and trails.

**Federal Land and Facility Enhancement Fund.**—Work functions for this program include Land and Facility Conveyances Under Special Legislation and the Administrative Site Conveyances Program. These programs enable specific national forests to convey land or facilities and use the proceeds to acquire, construct, or improve land and facilities within the same national forest or State. They also provide for the realignment of the agency's facility portfolio by providing an incentive for local managers to liquidate obsolete or underutilized assets and reinvest in assets that best support the agency's mission (16 U.S.C. 580d note).

**Administration of Rights-of-Way and Other Land Uses.**—Fees collected from applicants and holders of special use authorizations are available to recover costs for processing applications and monitoring compliance with special use authorizations (31 U.S.C. 9701; 43 U.S.C. 1764(g); 30 U.S.C. 815(1); P.L. 82–137; P.L. 66–146; P.L. 94–579; 113 Stat. 1501A–196–197 as amended by 118 Stat. 3105; 119 Stat. 555 and P.L. 110–161; 16 U.S.C. 4601–6d; 117 Stat. 294–297).

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

| Identification code 12–9921–0–2–999                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| <b>Direct obligations:</b>                                      |             |           |           |
| <b>Personnel compensation:</b>                                  |             |           |           |
| 11.1 Full-time permanent .....                                  | 47          | 45        | 40        |
| 11.3 Other than full-time permanent .....                       | 14          | 13        | 12        |
| 11.5 Other personnel compensation .....                         | 3           | 3         | 3         |
| <b>Total personnel compensation .....</b>                       | <b>64</b>   | <b>61</b> | <b>55</b> |
| 12.1 Civilian personnel benefits .....                          | 18          | 17        | 15        |
| 13.0 Benefits for former personnel .....                        | 3           | 3         | 1         |
| 21.0 Travel and transportation of persons .....                 | 2           | 2         | 2         |
| 22.0 Transportation of things .....                             | 1           | 1         | 1         |
| 23.2 Rental payments to others .....                            | 1           | 1         | 1         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 4           | 4         | 4         |
| 24.0 Printing and reproduction .....                            | 1           | 1         | 1         |
| 25.2 Other services from non-Federal sources .....              | 56          | 53        | 53        |
| 25.3 Other goods and services from Federal sources .....        | 7           | 7         | 6         |
| 25.7 Operation and maintenance of equipment .....               | 1           | 1         | 1         |
| 26.0 Supplies and materials .....                               | 10          | 9         | 8         |
| 31.0 Equipment .....                                            | 2           | 2         | 2         |
| 32.0 Land and structures .....                                  | 1           | 1         | 2         |
| 41.0 Grants, subsidies, and contributions .....                 | 432         | 364       | 94        |
| 42.0 Insurance claims and indemnities .....                     | 1           | 1         | .....     |
| 99.0 Direct obligations .....                                   | 604         | 528       | 246       |
| 99.0 Reimbursable obligations .....                             | 4           | 6         | 6         |
| 99.5 Below reporting threshold .....                            | 1           | .....     | .....     |
| 99.9 Total new obligations .....                                | 609         | 534       | 252       |

**Employment Summary**

| Identification code 12–9921–0–2–999                        | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------|-------------|-----------|-----------|
| 1001 Direct civilian full-time equivalent employment ..... | 1,344       | 1,259     | 1,307     |

|                                                                  |    |    |    |
|------------------------------------------------------------------|----|----|----|
| 2001 Reimbursable civilian full-time equivalent employment ..... | 35 | 36 | 34 |
|------------------------------------------------------------------|----|----|----|

**FOREST SERVICE PERMANENT APPROPRIATIONS**  
(Legislative proposal, subject to PAYGO)

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

| Identification code 12–9921–4–2–999                                                        | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                                                    |             |           |           |
| 0013 Payments to States - National Forest Fund (5201) .....                                | .....       | .....     | 45        |
| 0014 Payment to states - transfers from Treasury (1117) .....                              | .....       | .....     | 219       |
| 0900 Total new obligations (object class 41.0) .....                                       | .....       | .....     | 264       |
| <b>Budgetary Resources:</b>                                                                |             |           |           |
| <b>Budget authority:</b>                                                                   |             |           |           |
| <b>Appropriations, mandatory:</b>                                                          |             |           |           |
| 1200 Appropriation .....                                                                   | .....       | .....     | 219       |
| 1201 Appropriation (special or trust fund) .....                                           | .....       | .....     | 45        |
| 1230 Appropriations and/or unobligated balance of appropriations permanently reduced ..... | .....       | .....     | -9        |
| 1260 Appropriations, mandatory (total) .....                                               | .....       | .....     | 255       |
| 1930 Total budgetary resources available .....                                             | .....       | .....     | 255       |
| <b>Memorandum (non-add) entries:</b>                                                       |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                                      | .....       | .....     | -9        |
| <b>Change in obligated balance:</b>                                                        |             |           |           |
| 3030 Obligations incurred, unexpired accounts .....                                        | .....       | .....     | 264       |
| 3040 Outlays (gross) .....                                                                 | .....       | .....     | -216      |
| <b>Obligated balance, end of year (net):</b>                                               |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                                         | .....       | .....     | 48        |
| 3100 Obligated balance, end of year (net) .....                                            | .....       | .....     | 48        |
| <b>Budget authority and outlays, net:</b>                                                  |             |           |           |
| <b>Mandatory:</b>                                                                          |             |           |           |
| 4090 Budget authority, gross .....                                                         | .....       | .....     | 255       |
| <b>Outlays, gross:</b>                                                                     |             |           |           |
| 4100 Outlays from new mandatory authority .....                                            | .....       | .....     | 216       |
| 4180 Budget authority, net (total) .....                                                   | .....       | .....     | 255       |
| 4190 Outlays, net (total) .....                                                            | .....       | .....     | 216       |

**WORKING CAPITAL FUND**

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

| Identification code 12–4605–0–4–302                                   | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                               |             |           |           |
| 0801 Working capital fund .....                                       | 244         | 264       | 264       |
| <b>Budgetary Resources:</b>                                           |             |           |           |
| <b>Unobligated balance:</b>                                           |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....                 | 125         | 133       | 79        |
| 1021 Recoveries of prior year unpaid obligations .....                | 2           | .....     | .....     |
| 1050 Unobligated balance (total) .....                                | 127         | 133       | 79        |
| <b>Budget authority:</b>                                              |             |           |           |
| <b>Spending authority from offsetting collections, discretionary:</b> |             |           |           |
| 1700 Collected .....                                                  | 250         | 210       | 210       |
| 1750 Spending auth from offsetting collections, disc (total) .....    | 250         | 210       | 210       |
| 1930 Total budgetary resources available .....                        | 377         | 343       | 289       |
| <b>Memorandum (non-add) entries:</b>                                  |             |           |           |
| 1941 Unexpired unobligated balance, end of year .....                 | 133         | 79        | 25        |
| <b>Change in obligated balance:</b>                                   |             |           |           |
| <b>Obligated balance, start of year (net):</b>                        |             |           |           |
| 3000 Unpaid obligations, brought forward, Oct 1 (gross) .....         | 42          | 45        | 21        |
| 3030 Obligations incurred, unexpired accounts .....                   | 244         | 264       | 264       |
| 3040 Outlays (gross) .....                                            | -239        | -288      | -235      |
| 3080 Recoveries of prior year unpaid obligations, unexpired .....     | -2          | .....     | .....     |
| <b>Obligated balance, end of year (net):</b>                          |             |           |           |
| 3090 Unpaid obligations, end of year (gross) .....                    | 45          | 21        | 50        |
| 3100 Obligated balance, end of year (net) .....                       | 45          | 21        | 50        |
| <b>Budget authority and outlays, net:</b>                             |             |           |           |
| <b>Discretionary:</b>                                                 |             |           |           |
| 4000 Budget authority, gross .....                                    | 250         | 210       | 210       |

**WORKING CAPITAL FUND—Continued**  
**Program and Financing—Continued**

| Identification code 12-4605-0-4-302                                  | 2011 actual | 2012 est. | 2013 est. |
|----------------------------------------------------------------------|-------------|-----------|-----------|
| Outlays, gross:                                                      |             |           |           |
| 4010 Outlays from new discretionary authority .....                  | 204         | 179       | 179       |
| 4011 Outlays from discretionary balances .....                       | 35          | 109       | 56        |
| 4020 Outlays, gross (total) .....                                    | 239         | 288       | 235       |
| Offsets against gross budget authority and outlays:                  |             |           |           |
| Offsetting collections (collected) from:                             |             |           |           |
| 4030 Federal sources .....                                           | -248        | -207      | -207      |
| 4033 Non-Federal sources .....                                       | -2          | -3        | -3        |
| 4040 Offsets against gross budget authority and outlays (total) .... | -250        | -210      | -210      |
| 4080 Outlays, net (discretionary) .....                              | -11         | 78        | 25        |
| 4190 Outlays, net (total) .....                                      | -11         | 78        | 25        |

The Working Capital Fund is a self-sustaining revolving fund that provides services to national forests, to research experiment stations, to other Federal agencies when necessary, to State and private agencies as provided by law, and to persons who cooperate with the Forest Service in fire control and other authorized programs. Forestry-related supply and support services include:

**Equipment Services.**—The Fund owns, operates, maintains, replaces, and repairs common-use, motor-driven, and similar equipment. This equipment is rented to administrative units, that is, national forests, research experiment stations, and other units, and, in some cases, to other agencies, at rates which recover the cost of operation, repair and maintenance, management, and depreciation. The rates also include an increment which provides additional cash which, when added to depreciation earnings and the residual value of equipment, provides sufficient funds to replace the equipment. The Budget includes Forest Service implementation, in conjunction with the General Services Administration, of a vehicle allocation methodology that analyzes fleet vehicle effectiveness, cost to serve, life cycle costs, vehicle pooling, procurement practices, and reduction of operating costs.

**Aircraft Services.**—The Fund operates, maintains, and repairs Forest Service-owned aircraft used in fire surveillance and suppression and in other Forest Service programs. The aircraft are rented to national forests, research experiment stations, and in some cases to other agencies, at rates which recover the cost of depreciation, operation, maintenance, repair, and improvements in the airworthiness of the aircraft. Aircraft replacement costs are financed from either appropriated funds or the Forest Service Working Capital Fund, or a combination of both.

**Supply Services.**—The fund operates the following common services, and provides for cost-recovery of Working Capital Fund Program Management: photo reproduction laboratories that store, reproduce, and supply aerial photographs, aerial maps, and other photographs of national forest lands. Photographic reproductions are sold to national forests, research experiment stations, and others at cost. Sign shops that manufacture and supply special signs for the national forests for use in regulating traffic and as information to the public and other users of the national forests. Signs are sold to national forests and research experiment stations at cost.

**Nurseries.**—The fund operates seed supply services that provide tree seeds for direct seeding or sowing in nurseries for the production of trees. Activities include purchase or collection of cones, extraction of seeds, cleaning and testing, and storage and delivery. The fund operates in conjunction with forest tree nurseries and cold storage facilities for storage of tree seedlings. Tree seedlings are sold to national forests, State foresters, and other cooperators at cost.

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

| Identification code 12-4605-0-4-302                             | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------|-------------|-----------|-----------|
| Reimbursable obligations:                                       |             |           |           |
| Personnel compensation:                                         |             |           |           |
| 11.1 Full-time permanent .....                                  | 38          | 41        | 39        |
| 11.3 Other than full-time permanent .....                       | 2           | 2         | 2         |
| 11.5 Other personnel compensation .....                         | 2           | 2         | 4         |
| 11.9 Total personnel compensation .....                         | 42          | 45        | 45        |
| 12.1 Civilian personnel benefits .....                          | 13          | 14        | 14        |
| 21.0 Travel and transportation of persons .....                 | 3           | 3         | 5         |
| 22.0 Transportation of things .....                             | 1           | 1         | 1         |
| 23.2 Rental payments to others .....                            | 1           | 2         | 1         |
| 23.3 Communications, utilities, and miscellaneous charges ..... | 2           | 1         | 2         |
| 24.0 Printing and reproduction .....                            | 1           | 2         | 1         |
| 25.2 Other services from non-Federal sources .....              | 14          | 15        | 24        |
| 25.3 Other goods and services from Federal sources .....        | 2           | 2         | 3         |
| 25.7 Operation and maintenance of equipment .....               | 16          | 17        | 18        |
| 26.0 Supplies and materials .....                               | 70          | 76        | 66        |
| 31.0 Equipment .....                                            | 78          | 84        | 82        |
| 41.0 Grants, subsidies, and contributions .....                 | 1           | 1         | 1         |
| 42.0 Insurance claims and indemnities .....                     |             | 1         | 1         |
| 99.9 Total new obligations .....                                | 244         | 264       | 264       |

**Employment Summary**

| Identification code 12-4605-0-4-302                              | 2011 actual | 2012 est. | 2013 est. |
|------------------------------------------------------------------|-------------|-----------|-----------|
| 2001 Reimbursable civilian full-time equivalent employment ..... | 682         | 659       | 659       |

**Trust Funds**

**FOREST SERVICE TRUST FUNDS**

**Special and Trust Fund Receipts (in millions of dollars)**

| Identification code 12-9974-0-7-302                          | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------|-------------|-----------|-----------|
| 0100 Balance, start of year .....                            |             |           |           |
| Receipts:                                                    |             |           |           |
| 0200 Transfers from General Fund of Amounts Equal to Certain |             |           |           |
| Customs Duties, Reforestation Trust Fund .....               | 30          | 30        | 30        |
| 0220 Forest Service Cooperative Fund .....                   | 66          | 47        | 47        |
| 0299 Total receipts and collections .....                    | 96          | 77        | 77        |
| 0400 Total: Balances and collections .....                   | 96          | 77        | 77        |
| Appropriations:                                              |             |           |           |
| 0500 Forest Service Trust Funds .....                        | -96         | -77       | -77       |
| 0799 Balance, end of year .....                              |             |           |           |

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

| Identification code 12-9974-0-7-302                                | 2011 actual | 2012 est. | 2013 est. |
|--------------------------------------------------------------------|-------------|-----------|-----------|
| <b>Obligations by program activity:</b>                            |             |           |           |
| 0001 Cooperative work trust fund (8028 - CWKV) .....               | 66          | 69        | 69        |
| 0002 Cooperative work advance payments (8028 - CWF2) .....         | 14          | 28        | 28        |
| 0003 Reforestation trust fund (5215) .....                         | 30          | 30        | 30        |
| 0799 Total direct obligations .....                                | 110         | 127       | 127       |
| 0801 Reimbursable program-coop work other (8028 - CWFS) .....      | 25          | 30        | 30        |
| 0900 Total new obligations .....                                   | 135         | 157       | 157       |
| <b>Budgetary Resources:</b>                                        |             |           |           |
| Unobligated balance:                                               |             |           |           |
| 1000 Unobligated balance brought forward, Oct 1 .....              | 338         | 353       | 328       |
| 1021 Recoveries of prior year unpaid obligations .....             | 1           |           |           |
| 1050 Unobligated balance (total) .....                             | 339         | 353       | 328       |
| Budget authority:                                                  |             |           |           |
| Appropriations, mandatory:                                         |             |           |           |
| 1201 Appropriation (special or trust fund) .....                   | 96          | 77        | 77        |
| 1260 Appropriations, mandatory (total) .....                       | 96          | 77        | 77        |
| Spending authority from offsetting collections, mandatory:         |             |           |           |
| 1800 Collected (CWFS) .....                                        | 53          | 55        | 55        |
| 1850 Spending auth from offsetting collections, mand (total) ..... | 53          | 55        | 55        |
| 1900 Budget authority (total) .....                                | 149         | 132       | 132       |

|                                                     |                                                              |      |      |      |
|-----------------------------------------------------|--------------------------------------------------------------|------|------|------|
| 1930                                                | Total budgetary resources available .....                    | 488  | 485  | 460  |
| Memorandum (non-add) entries:                       |                                                              |      |      |      |
| 1941                                                | Unexpired unobligated balance, end of year .....             | 353  | 328  | 303  |
| <b>Change in obligated balance:</b>                 |                                                              |      |      |      |
| Obligated balance, start of year (net):             |                                                              |      |      |      |
| 3000                                                | Unpaid obligations, brought forward, Oct 1 (gross) .....     | 40   | 43   | 27   |
| 3030                                                | Obligations incurred, unexpired accounts .....               | 135  | 157  | 157  |
| 3040                                                | Outlays (gross) .....                                        | -131 | -173 | -182 |
| 3080                                                | Recoveries of prior year unpaid obligations, unexpired ..... | -1   |      |      |
| Obligated balance, end of year (net):               |                                                              |      |      |      |
| 3090                                                | Unpaid obligations, end of year (gross) .....                | 43   | 27   | 2    |
| 3100                                                | Obligated balance, end of year (net) .....                   | 43   | 27   | 2    |
| <b>Budget authority and outlays, net:</b>           |                                                              |      |      |      |
| Mandatory:                                          |                                                              |      |      |      |
| 4090                                                | Budget authority, gross .....                                | 149  | 132  | 132  |
| Outlays, gross:                                     |                                                              |      |      |      |
| 4100                                                | Outlays from new mandatory authority .....                   | 41   | 106  | 106  |
| 4101                                                | Outlays from mandatory balances .....                        | 90   | 67   | 76   |
| 4110                                                | Outlays, gross (total) .....                                 | 131  | 173  | 182  |
| Offsets against gross budget authority and outlays: |                                                              |      |      |      |
| Offsetting collections (collected) from:            |                                                              |      |      |      |
| 4123                                                | Non-Federal sources .....                                    | -53  | -55  | -55  |
| 4180                                                | Budget authority, net (total) .....                          | 96   | 77   | 77   |
| 4190                                                | Outlays, net (total) .....                                   | 78   | 118  | 127  |
| <b>Memorandum (non-add) entries:</b>                |                                                              |      |      |      |
| 5000                                                | Total investments, SOY: Federal securities: Par value .....  | 6    |      | 6    |
| 5001                                                | Total investments, EOY: Federal securities: Par value .....  |      | 6    | 6    |

**Cooperative Work Trust Fund.**—Funds, including deposits from purchasers of timber, are received and used for specified work in forest investigations, protection, and improvement of the National Forest System, including protection, reforestation, and administration of private lands adjacent to National Forests (7 U.S.C. 2269; 16 U.S.C. 498, 535, 572, 572a, 576b, 1643; and 31 U.S.C. 1321).

**Cooperative Work Trust Fund-Other.**—This fund is used to collect deposits received from partners and cooperators for protecting and improving resources of the National Forest System as authorized by cooperative agreements. Deposit funds support a wide variety of activities that benefit and support programs in Forest and Rangeland Research, on National Forest System lands, and for other agency activities.

**Land Between the Lakes Trust Fund.**—Interest earned from funds transferred by the Tennessee Valley Authority is available for public education, grants, recreation internships, conservation and multiple-use management of the Land Between the Lakes (16 U.S.C. 460111-31).

**Reforestation Trust Fund.**—Amounts from this account are used for reforestation and timber stand improvement as authorized by 16 U.S.C. 1606a(d).

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

| Identification code 12-9974-0-7-302 | 2011 actual                                                | 2012 est. | 2013 est. |     |
|-------------------------------------|------------------------------------------------------------|-----------|-----------|-----|
| <b>Direct obligations:</b>          |                                                            |           |           |     |
| <b>Personnel compensation:</b>      |                                                            |           |           |     |
| 11.1                                | Full-time permanent .....                                  | 40        | 39        | 39  |
| 11.3                                | Other than full-time permanent .....                       | 4         | 4         | 4   |
| 11.5                                | Other personnel compensation .....                         | 3         | 3         | 3   |
| 11.9                                | Total personnel compensation .....                         | 47        | 46        | 46  |
| 12.1                                | Civilian personnel benefits .....                          | 15        | 15        | 15  |
| 23.1                                | Rental payments to GSA .....                               | 1         | 1         | 1   |
| 23.2                                | Rental payments to others .....                            | 1         | 1         | 1   |
| 23.3                                | Communications, utilities, and miscellaneous charges ..... | 2         | 2         | 2   |
| 25.2                                | Other services from non-Federal sources .....              | 30        | 44        | 44  |
| 25.3                                | Other goods and services from Federal sources .....        | 5         | 6         | 6   |
| 26.0                                | Supplies and materials .....                               | 6         | 7         | 7   |
| 31.0                                | Equipment .....                                            | 1         | 1         | 1   |
| 41.0                                | Grants, subsidies, and contributions .....                 | 2         | 4         | 4   |
| 99.0                                | Direct obligations .....                                   | 110       | 127       | 127 |
| 99.0                                | Reimbursable obligations .....                             | 25        | 30        | 30  |

|      |                             |     |     |     |
|------|-----------------------------|-----|-----|-----|
| 99.9 | Total new obligations ..... | 135 | 157 | 157 |
|------|-----------------------------|-----|-----|-----|

**Employment Summary**

| Identification code 12-9974-0-7-302 | 2011 actual                                                 | 2012 est. | 2013 est. |     |
|-------------------------------------|-------------------------------------------------------------|-----------|-----------|-----|
| 1001                                | Direct civilian full-time equivalent employment .....       | 793       | 785       | 785 |
| 2001                                | Reimbursable civilian full-time equivalent employment ..... | 171       | 235       | 235 |

**ADMINISTRATIVE PROVISIONS, FOREST SERVICE**  
(INCLUDING TRANSFERS OF FUNDS)

Appropriations to the Forest Service for the current fiscal year shall be available for: (1) purchase of passenger motor vehicles; acquisition of passenger motor vehicles from excess sources, and hire of such vehicles; purchase, lease, operation, maintenance, and acquisition of aircraft [from excess sources] to maintain the operable fleet for use in Forest Service wildland fire programs and other Forest Service programs; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (2) services pursuant to 7 U.S.C. 2225, and not to exceed \$100,000 for employment under 5 U.S.C. 3109; (3) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (4) acquisition of land, waters, and interests therein pursuant to 7 U.S.C. 428a; (5) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, and 558a note); (6) the cost of uniforms as authorized by 5 U.S.C. 5901-5902; and (7) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

Any appropriations or funds available to the Forest Service may be transferred to the Wildland Fire Management appropriation for forest firefighting, emergency rehabilitation of burned-over or damaged lands or waters under its jurisdiction, and fire preparedness due to severe burning conditions upon the Secretary's notification of the House and Senate Committees on Appropriations that all fire suppression funds appropriated under the headings "Wildland Fire Management" and "FLAME Wildfire Suppression Reserve Fund" will be obligated within 30 days [ : Provided, That all funds used pursuant to this paragraph must be replenished by a supplemental appropriation which must be requested as promptly as possible ] .

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development in connection with forest and rangeland research, technical information, and assistance in foreign countries, and shall be available to support forestry and related natural resource activities outside the United States and its territories and possessions, including technical assistance, education and training, and cooperation with U.S., private, and international organizations. The Forest Service, acting for the International Program, may sign direct funding agreements with foreign governments and institutions as well as other domestic agencies (including the U.S. Agency for International Development, the Department of State, and the Millennium Challenge Corporation), U.S. private sector firms, institutions and organizations to provide technical assistance and training programs overseas on forestry and rangeland management.

None of the funds made available to the Forest Service in this Act or any other Act with respect to any fiscal year shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257), section 442 of Public Law 106-224 (7 U.S.C. 7772), or section 10417(b) of Public Law 107-107 (7 U.S.C. 8316(b)).

[None of the funds available to the Forest Service may be reprogrammed without the advance approval of the House and Senate Committees on Appropriations in accordance with the reprogramming procedures contained in the joint explanatory statement of the managers accompanying this Act.]

Not more than \$82,000,000 of funds available to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture and not more than \$14,500,000 of funds available to the Forest Service shall be transferred to the Department of Agriculture for Department Reimbursable Programs, commonly referred to as Greenbook charges. Nothing in this paragraph shall prohibit or limit the use of reimbursable agreements requested by the Forest Service in order to obtain

services from the Department of Agriculture's National Information Technology Center. Nothing in this paragraph shall limit the Forest Service portion of implementation costs to be paid to the Department of Agriculture for the Financial Management Modernization Initiative.

**[Of the funds]** Funds available to the Forest Service **[up to \$5,000,000]** shall be available for priority projects within the scope of the approved budget, which shall be carried out by the Youth Conservation Corps and shall be carried out under the authority of the Public Lands Corps Act of 1993, Public Law 103-82, as amended by Public Lands Corps Healthy Forests Restoration Act of 2005, Public Law 109-154.

Of the funds available to the Forest Service, \$4,000 is available to the Chief of the Forest Service for official reception and representation expenses.

Pursuant to sections 405(b) and 410(b) of Public Law 101-593, of the funds available to the Forest Service, up to \$3,000,000 may be advanced in a lump sum to the National Forest Foundation to aid conservation partnership projects in support of the Forest Service mission, without regard to when the Foundation incurs expenses, for projects on or benefiting National Forest System lands or related to Forest Service programs: *Provided*, That of the Federal funds made available to the Foundation, no more than \$300,000 shall be available for administrative expenses: *Provided further*, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds made available by the Forest Service: *Provided further*, That the Foundation may transfer Federal funds to a Federal or a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds: *Provided further*, That authorized investments of Federal funds held by the Foundation may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

Pursuant to section 2(b)(2) of Public Law 98-244, up to \$3,000,000 of the funds available to the Forest Service may be advanced to the National Fish and Wildlife Foundation in a lump sum to aid cost-share conservation projects, without regard to when expenses are incurred, on or benefiting National Forest System lands or related to Forest Service programs: *Provided*, That such funds shall be matched on at least a one-for-one basis by the Foundation or its sub-recipients: *Provided further*, That the Foundation may transfer Federal funds to a Federal or non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds.

Funds appropriated to the Forest Service shall be available for interactions with and providing technical assistance to rural communities and natural resource-based businesses for sustainable rural development purposes.

**[Funds appropriated to the Forest Service shall be available for payments to counties within the Columbia River Gorge National Scenic Area, pursuant to section 14(c)(1) and (2), and section 16(a)(2) of Public Law 99-663.]**

**[Any funds appropriated to the Forest Service may be used to meet the non-Federal share requirement in section 502(c) of the Older American Act of 1965 (42 U.S.C. 3056(c)(2)).]**

Funds available to the Forest Service, not to exceed \$55,000,000, shall be assessed for the purpose of performing fire, administrative and other facilities maintenance and decommissioning. Such assessments shall occur using a square foot rate charged on the same basis the agency uses to assess programs for payment of rent, utilities, and other support services.

Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service not to exceed \$500,000 may be used to reimburse the Office of the General Counsel (OGC), Department of Agriculture, for travel and related expenses incurred as a result of OGC assistance or participation requested by the Forest Service at meetings, training sessions, management reviews, land purchase negotiations and similar nonlitigation-related matters. Future budget justifications for both the Forest Service and the Department of Agriculture should clearly display the sums previously transferred and the requested funding transfers.

**[An eligible individual who is employed in any project funded under title V of the Older American Act of 1965 (42 U.S.C. 3056 et seq.) and administered by the Forest Service shall be considered to be a Federal employee for purposes of chapter 171 of title 28, United States Code.]**

(Department of the Interior, Environment, and Related Agencies Appropriations Act, 2012.)

### GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

|                                                                                                           | 2011 actual | 2012 est. | 2013 est. |
|-----------------------------------------------------------------------------------------------------------|-------------|-----------|-----------|
| Offsetting receipts from the public:                                                                      |             |           |           |
| 12-14300 General Fund Proprietary Interest Receipts, not Otherwise Classified .....                       | 1           | 1         | 1         |
| 12-181100 National Grasslands .....                                                                       | 47          | 38        | 47        |
| 12-222100 National Forest Fund .....                                                                      | 21          | 5         | .....     |
| Legislative proposal, subject to PAYGO .....                                                              |             | -54       | -54       |
| 12-270110 Agriculture Credit Insurance, Negative Subsidies .....                                          |             | 2         | 3         |
| 12-270130 Agriculture Credit Insurance, Downward Reestimates of Subsidies .....                           | 456         | 208       | .....     |
| 12-270210 Rural Electrification and Telephone Loans, Negative Subsidies .....                             | 69          | 118       | 183       |
| 12-270230 Rural Electrification and Telephone Loans, Downward Reestimates of Subsidies .....              | 313         | 507       | .....     |
| 12-270330 Rural Water and Waste Disposal, Downward Reestimates of Subsidies .....                         | 96          | 126       | .....     |
| 12-270510 Rural Community Facility, Negative Subsidies .....                                              |             | 5         | 18        |
| 12-270530 Rural Community Facility, Downward Reestimates of Subsidies .....                               | 48          | 132       | .....     |
| 12-270610 Rural Housing Insurance, Negative Subsidies .....                                               | 34          | 14        | 62        |
| 12-270630 Rural Housing Insurance, Downward Reestimates of Subsidies .....                                | 45          | 68        | .....     |
| 12-270730 Rural Business and Industry, Downward Reestimates of Subsidies .....                            | 20          | 39        | .....     |
| 12-270830 P.L. 480 Loan Program, Downward Reestimates of Subsidies .....                                  | 11          | 10        | .....     |
| 12-271030 Rural Development Loans, Downward Reestimates of Subsidies .....                                | 6           | 5         | .....     |
| 12-271130 Rural Telephone Bank Loans, Downward Reestimates of Subsidies .....                             | 4           | 2         | .....     |
| 12-271330 Economic Development Loans, Downward Reestimates of Subsidies .....                             | 3           | 1         | .....     |
| 12-274630 Downward Reestimates, Distance Learning, Telemedicine, and Broadband Program .....              | 22          | 42        | .....     |
| 12-275430 Apple Loan Program, Downward Reestimates of Subsidies .....                                     |             | 4         | .....     |
| 12-275610 Negative Subsidies, Farm Storage Facility Loans .....                                           | 3           | 7         | 7         |
| 12-275630 Farm Storage Facility Loans, Downward Reestimate of Subsidies .....                             | 27          | 14        | .....     |
| 12-275730 Commodity Credit Corporation Export Guarantee Financing, Downward Reestimate of Subsidies ..... | 188         | 7         | .....     |
| 12-277930 Multifamily Housing Revitalization Fund, Downward Reestimates of Subsidies .....                | 8           | 11        | .....     |
| 12-278630 Rural Energy for America Program, Downward Reestimates of Subsidies .....                       | 2           | 1         | .....     |
| 12-279310 Commodity Credit Corporation Export Guarantee Financing, Negative Subsidies .....               | 38          | 38        | 38        |
| 12-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts .....            | 6           | 5         | 5         |
| General Fund Offsetting receipts from the public .....                                                    | 1,468       | 1,356     | 310       |
| Intragovernmental payments:                                                                               |             |           |           |
| 12-388500 Undistributed Intragovernmental Payments and Receivables from Cancelled Accounts .....          | 1           | .....     | .....     |
| General Fund Intragovernmental payments .....                                                             | 1           | .....     | .....     |

### TITLE VII—GENERAL PROVISIONS

(INCLUDING **[RESCISSIONS]** CANCELLATIONS AND TRANSFERS OF FUNDS)

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the current fiscal year under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed **[204]** 124 passenger motor vehicles of which **[170]** 124 shall be for replacement only, and for the hire of such vehicles: *Provided*, That notwithstanding this section, the only purchase of new passenger vehicles shall be for those determined by the Secretary to be necessary for transportation safety, to reduce operational costs, and for the protection of life, property, and public safety.

SEC. 702. The Secretary of Agriculture may transfer unobligated balances of discretionary funds appropriated by this Act or other available unobligated discretionary balances of the Department of Agriculture to

the Working Capital Fund for the acquisition of plant and capital equipment necessary for the delivery of financial, administrative, and information technology services of primary benefit to the agencies of the Department of Agriculture: *Provided*, That none of the funds made available by this Act or any other Act shall be transferred to the Working Capital Fund without the prior [approval of] *notification to* the agency administrator: *Provided further*, That none of the funds transferred to the Working Capital Fund pursuant to this section shall be available for obligation without [written notification to and] the prior [approval of] *notification to* the Committees on Appropriations of both Houses of Congress: [Provided further, That none of the funds appropriated by this Act or made available to the Department's Working Capital Fund shall be available for obligation or expenditure to make any changes to the Department's National Finance Center without written notification to and prior approval of the Committees on Appropriations of both Houses of Congress as required by section 711 of this Act: ] *Provided further*, That of annual income amounts in the Working Capital Fund of the Department of Agriculture allocated for the National Finance Center, the Secretary may reserve not more than 4 percent for the replacement or acquisition of capital equipment, including equipment for the improvement and implementation of a financial management plan, information technology, and other systems of the National Finance Center or to pay any unforeseen, extraordinary cost of the National Finance Center: *Provided further*, That none of the amounts reserved shall be available for obligation unless the Secretary submits [written] notification of the obligation to the Committees on Appropriations of the House of Representatives and the Senate: *Provided further*, That the limitation on the obligation of funds pending notification to Congressional Committees shall not apply to any obligation that, as determined by the Secretary, is necessary to respond to a declared state of emergency that significantly impacts the operations of the National Finance Center; or to evacuate employees of the National Finance Center to a safe haven to continue operations of the National Finance Center.

SEC. 703. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 704. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 705. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in the current fiscal year shall remain available until expended to disburse obligations made in the current fiscal year for the following accounts: the Rural Development Loan Fund program account, the Rural Electrification and Telecommunication Loans program account, and the Rural Housing Insurance Fund program account.

SEC. 706. [Hereafter, none] *None* of the funds appropriated by this Act may be used to carry out section 410 of the Federal Meat Inspection Act (21 U.S.C. 679a) or section 30 of the Poultry Products Inspection Act (21 U.S.C. 471).

SEC. 707. None of the funds made available to the Department of Agriculture by this Act may be used to acquire new information technology systems or significant upgrades, as determined by the Office of the Chief Information Officer, without the approval of the Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board: *Provided*, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be transferred to the Office of the Chief Information Officer [without written] *unless notification has been transmitted to* [and the prior approval of] the Committees on Appropriations of both Houses of Congress: *Provided further*, That none of the funds available to the Department of Agriculture for information technology shall be obligated for projects over \$25,000 prior to receipt of written approval by the Chief Information Officer.

SEC. 708. Funds made available under section 1240I and section 1241(a) of the Food Security Act of 1985 and section 524(b) of the Federal Crop

Insurance Act (7 U.S.C. 1524(b)) in the current fiscal year shall remain available until expended to disburse obligations made in the current fiscal year.

SEC. 709. Notwithstanding any other provision of law, any former RUS borrower that has repaid or prepaid an insured, direct or guaranteed loan under the Rural Electrification Act of 1936, or any not-for-profit utility that is eligible to receive an insured or direct loan under such Act, shall be eligible for assistance under section 313(b)(2)(B) of such Act in the same manner as a borrower under such Act.

SEC. 710. Notwithstanding any other provision of law, for the purposes of a grant under section 412 of the Agricultural Research, Extension, and Education Reform Act of 1998, none of the funds in this or any other Act may be used to prohibit the provision of in-kind support from non-Federal sources under section 412(e)(3) of such Act in the form of unrecovered indirect costs not otherwise charged against the grant, consistent with the indirect rate of cost approved for a recipient.

SEC. 711. Except as otherwise specifically provided by law, unobligated balances remaining available at the end of the fiscal year from appropriations made available for salaries and expenses in this Act for the Farm Service Agency and the Rural Development mission area, shall remain available through September 30, [2013] 2014, for information technology expenses.

SEC. 712. The Secretary of Agriculture may authorize a State agency to use funds provided in this Act to exceed the maximum amount of liquid infant formula specified in 7 CFR 246.10 when issuing liquid infant formula to participants.

SEC. 713. None of the funds appropriated or otherwise made available by this Act may be used for first-class travel by the employees of agencies funded by this Act in contravention of sections 301–10.122 through 301–10.124 of title 41, Code of Federal Regulations.

SEC. 714. In the case of each program established or amended by the Food, Conservation, and Energy Act of 2008 (Public Law 110–246), other than by title I or subtitle A of title III of such Act, that is authorized or required to be carried out using funds of the Commodity Credit Corporation—

(1) such funds shall be available for salaries and related administrative expenses, including technical assistance, associated with the implementation of the program, without regard to the limitation on the total amount of allotments and fund transfers contained in section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i); and

(2) the use of such funds for such purpose shall not be considered to be a fund transfer or allotment for purposes of applying the limitation on the total amount of allotments and fund transfers contained in such section.

SEC. 715. Notwithstanding any other provision of law, [the requirements pursuant to] *the amounts set forth in section 412(e)(1) of the Food for Peace Act* (7 U.S.C. 1736f(e)(1)), may be [waived for] *reduced by any* [amounts higher than those specified under this authority for fiscal year 2010] *amount the Administrator determines necessary to meet emergency food needs.*

[SEC. 716. (a) Clause (ii) of section 524(b)(4)(B) of the Federal Crop Insurance Act (7 U.S.C. 1524(b)(4)(B)) is amended—

(1) in the heading, by striking "fiscal years 2008 through 2012" and inserting "certain fiscal years"; and

(2) in the text, by striking "2012" and inserting "2014".

(b) Section 1238E(a) of the Food Security Act of 1985 (16 U.S.C. 3838e(a)) is amended by striking "2012" and inserting "2014".

(c) Section 1240B(a) of the Food Security Act of 1985 (16 U.S.C. 3839aa-2(a)) is amended by striking "2012" and inserting "2014".

(d) Section 1241(a)(6)(E) of the Food Security Act of 1985 (16 U.S.C. 3841(a)(6)(E)) is amended by striking "fiscal year 2012" and inserting "each of fiscal years 2012 through 2014".

(e) Section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "2012," and inserting "2012 (and fiscal year 2014 in the case of the programs specified in paragraphs (3)(B), (4), (6), and (7))"; and

(2) in paragraph (4)(E), by striking "fiscal year 2012" and inserting "each of fiscal years 2012 through 2014".

(f) Section 1241(a)(7)(D) of the Food Security Act of 1985 (16 U.S.C. 3841(a)(7)(D)) is amended by striking "2012" and inserting "2014".]

SEC. [717]716. Appropriations to the Department of Agriculture made available in fiscal years 2005, 2006, and 2007 to carry out section 601 of the Rural Electrification Act of 1936 (7 U.S.C. 950bb) for the cost of direct loans shall remain available until expended to disburse valid obligations.

[SEC. 718. None of the funds made available in fiscal year 2012 or preceding fiscal years for programs authorized under the Food for Peace Act (7 U.S.C. 1691 et seq.) in excess of \$20,000,000 shall be used to reimburse the Commodity Credit Corporation for the release of eligible commodities under section 302(f)(2)(A) of the Bill Emerson Humanitarian Trust Act (7 U.S.C. 1736f-1): *Provided*, That any such funds made available to reimburse the Commodity Credit Corporation shall only be used pursuant to section 302(b)(2)(B)(i) of the Bill Emerson Humanitarian Trust Act.]

SEC. [719]717. Of the funds made available by this Act, not more than [\$1,800,000] \$2,900,000 shall be used to cover necessary expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture, except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants.

SEC. [720]718. None of the funds in this Act shall be available to pay indirect costs charged against any agricultural research, education, or extension grant awards issued by the National Institute of Food and Agriculture that exceed 30 percent of total Federal funds provided under each award: *Provided*, That notwithstanding section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310), funds provided by this Act for grants awarded competitively by the National Institute of Food and Agriculture shall be available to pay full allowable indirect costs for each grant awarded under section 9 of the Small Business Act (15 U.S.C. 638).

[SEC. 721. None of the funds made available by this or any other Act may be used to write, prepare, or publish a final rule or an interim final rule in furtherance of, or otherwise to implement, "Implementation of Regulations Required Under Title XI of the Food, Conservation and Energy Act of 2008; Conduct in Violation of the Act" (75 Fed. Reg. 35338 (June 22, 2010)) unless the combined annual cost to the economy of such rules do not exceed \$100,000,000: *Provided*, That no funds be made available by this or any other Act to publish a final or interim final rule in furtherance of, or otherwise implement, proposed sections 201.2(l), 201.2(t), 201.2(u), 201.3(c), 201.210, 201.211, 201.213, or 201.214 of "Implementation of Regulations Required Under Title XI of the Food, Conservation and Energy Act of 2008; Conduct in Violation of the Act" (75 Fed. Reg. 35338 (June 22, 2010)): *Provided further*, That such rules must be published in the Federal Register no later than December 9, 2011: *Provided further*, That none of the funds made available by this or any other Act may be used to implement such rules until 60 days from the publication date of such rules, and only unless such rules are otherwise in compliance with this section.]

[SEC. 722. Any unobligated funds included under Treasury symbol codes 12X3336, 12X2268, 12X0132, 12X2271, 12X2277, 12X1404, 12X1501, and 12X1336 are hereby rescinded.]

[SEC. 723. Of the unobligated balances provided pursuant to section 16(h)(1)(A) of the Food and Nutrition Act of 2008, \$11,000,000 are hereby rescinded.]

[SEC. 724. There is hereby appropriated \$1,996,000 to carry out section 1621 of Public Law 110–246.]

SEC. [725]719. [Subject to authorization by the Congress, the] *The* Secretary may reserve, through April 1, [2012] 2013, up to 5 percent of the funding available for the following items for projects in areas that are engaged in strategic regional development planning as defined by the Secretary: business and industry guaranteed loans; rural development loan fund; rural business enterprise grants; rural business opportunity grants; rural economic development program; rural microenterprise program; biorefinery assistance program; rural energy for America program; value-added producer grants; broadband program; water and waste program; and rural community facilities program.

[SEC. 726. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out the following:

(1) The Conservation Stewardship Program authorized by sections 1238D-1238G of the Food Security Act of 1985 (16 U.S.C. 3838d-3838g) in excess of \$768,484,000;

(2) The Watershed Rehabilitation program authorized by section 14(h) of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012(h));

(3) The Environmental Quality Incentives Program as authorized by sections 1240–1240H of the Food Security Act of 1985 (16 U.S.C. 3839aa-3839aa-8) in excess of \$1,400,000,000;

(4) The Farmland Protection Program as authorized by section 1238I of the Food Security Act of 1985 (16 U.S.C. 3838i) in excess of \$150,000,000;

(5) The Grassland Reserve Program as authorized by sections 1238O-1238Q of the Food Security Act of 1985 (16 U.S.C. 3838o-3838q) in excess of 209,000 acres in fiscal year 2012;

(6) The Wetlands Reserve Program authorized by sections 1237–1237F of the Food Security Act of 1985 (16 U.S.C. 3837–3837f) to enroll in excess of 185,800 acres in fiscal year 2012;

(7) The Wildlife Habitat Incentives Act authorized by section 1240N of the Food Security Act of 1985 (16 U.S.C. 3839bb-1) in excess of \$50,000,000;

(8) The Voluntary Public Access and Habitat Incentives Program authorized by section 1240R of the Food Security Act of 1985 (16 U.S.C. 3839bb-5);

(9) The Bioenergy Program for Advanced Biofuels authorized by section 9005 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8105) in excess of \$65,000,000;

(10) The Rural Energy for America Program authorized by section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107) in excess of \$22,000,000;

(11) The Rural Microentrepreneur Assistance Program authorized by section 6022 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 2008s);

(12) Section 508(d)(3) of the Federal Crop Insurance Act (7 U.S.C. 1508(d)(3)) to provide a performance-based premium discount in the crop insurance program;

(13) Agricultural Management Assistance Program as authorized by section 524 of the Federal Crop Insurance Act, as amended (7 U.S.C. 1524) in excess of \$2,500,000 for the Natural Resources Conservation Service;

(14) The Biomass Crop Assistance Program authorized by section 9011 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8111) in excess of \$17,000,000 in new obligational authority; and

(15) A program under subsection (b)(2)(A)(iv) of section 14222 of Public Law 110–246 in excess of \$948,000,000, as follows: Child Nutrition Programs Entitlement Commodities—\$465,000,000; State Option Contracts—\$5,000,000; Removal of Defective Commodities—\$2,500,000: *Provided*, That none of the funds made available in this Act or any other Act shall be used for salaries and expenses to carry out section 19(i)(1)(E) of the Richard B. Russell National School Lunch Act as amended by section 4304 of Public Law 110–246 in excess of \$20,000,000, including the transfer of funds under subsection (c) of section 14222 of Public Law 110–246, until October 1, 2012: *Provided further*, That \$133,000,000 made available on October 1, 2012, to carry out section 19(i)(1)(E) of the Richard B. Russell National School Lunch Act as amended by section 4304 of Public Law 110–246 shall be excluded from the limitation described in subsection (b)(2)(A)(v) of section 14222 of Public Law 110–246: *Provided further*, That none of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries or expenses of any employee of the Department of Agriculture or officer of the Commodity Credit Corporation to carry out clause 3 of section 32 of the Agricultural Adjustment Act of 1935 (Public Law 74–320, 7 U.S.C. 612c, as amended), or for any surplus removal activities or price support activities under section 5 of the Commodity Credit Corporation Charter Act: *Provided further*, That of the available unobligated balances under (b)(2)(A)(iv) of section 14222 of Public Law 110–246, \$150,000,000 are hereby rescinded.]

[SEC. 727. There is hereby appropriated \$600,000 to the Farm Service Agency to carry out a pilot program to demonstrate the use of new technologies that increase the rate of growth of re-forested hardwood trees on private nonindustrial forests lands, enrolling lands on the coast of the Gulf of Mexico that were damaged by Hurricane Katrina in 2005.]

[SEC. 728. None of the funds appropriated by this or any other Act shall be used to pay the salaries and expenses of personnel who prepare



or submit appropriations language as part of the President's Budget submission to the Congress of the United States for programs under the jurisdiction of the Appropriations Subcommittees on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies that assumes revenues or reflects a reduction from the previous year due to user fees proposals that have not been enacted into law prior to the submission of the Budget unless such Budget submission identifies which additional spending reductions should occur in the event the user fees proposals are not enacted prior to the date of the convening of a committee of conference for the fiscal year 2013 appropriations Act.】

【SEC. 729. The funds made available in Public Law 111-344 through February 12, 2012 for trade adjustment for farmers are hereby rescinded.】

【SEC. 730. (a) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in the current fiscal year, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds, or in the case of the Department of Agriculture, through use of the authority provided by section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or section 8 of Public Law 89-106 (7 U.S.C. 2263), that—

- (1) creates new programs;
- (2) eliminates a program, project, or activity;
- (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted;
- (4) relocates an office or employees;
- (5) reorganizes offices, programs, or activities; or
- (6) contracts out or privatizes any functions or activities presently performed by Federal employees;】

【unless the Secretary of Agriculture, the Secretary of Health and Human Services, or the Chairman of the Commodity Futures Trading Commission (as the case may be) notifies, in writing, the Committees on Appropriations of both Houses of Congress at least 30 days in advance of the reprogramming of such funds or the use of such authority.

(b) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in the current fiscal year, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming or use of the authorities referred to in subsection (a) involving funds in excess of \$500,000 or 10 percent, whichever is less, that—

- (1) augments existing programs, projects, or activities;
- (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or
- (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Secretary of Agriculture, the Secretary of Health and Human Services, or the Chairman of the Commodity Futures Trading Commission (as the case may be) notifies, in writing, the Committees on Appropriations of both Houses of Congress at least 30 days in advance of the reprogramming of such funds or the use of such authority.

(c) The Secretary of Agriculture, the Secretary of Health and Human Services, or the Chairman of the Commodity Futures Trading Commission shall notify in writing the Committees on Appropriations of both Houses of Congress before implementing any program or activity not carried out during the previous fiscal year unless the program or activity is funded by this Act or specifically funded by any other Act.

(d) As described in this section, no funds may be used for any activities unless the Secretary of Agriculture, the Secretary of Health and Human Services or the Chairman of the Commodity Futures Trading Commission receives from the Committee on Appropriations of both Houses of Congress written or electronic mail confirmation of receipt of the notification as required in this section.】

SEC. 【731】720. Notwithstanding section 310B(g)(5) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(g)(5)), the Secretary may assess a one-time fee for any guaranteed business and industry loan

in an amount that does not exceed 3 percent of the guaranteed principal portion of the loan.

【SEC. 732. (a) CLOSURE AND CONVEYANCE OF AGRICULTURAL RESEARCH SERVICE FACILITIES.—The Secretary of Agriculture may close up to 10 facilities of the Agricultural Research Service, as proposed in the budget of the President for fiscal year 2012 submitted to Congress pursuant to section 1105 of title 31, United States Code.

(b) CONVEYANCE AUTHORITY.—With respect to an Agricultural Research Service facility to be closed pursuant to subsection (a), the Secretary of Agriculture may convey, with or without consideration, all right, title, and interest of the United States in and to any real property, including improvements and equipment thereon, of the facility to an eligible entity specified in subsection (c). If the Agricultural Research Service facility consists of more than one parcel of real property, the Secretary may convey each parcel separately and to different eligible entities.

(c) ENTITIES.—The following entities are eligible to receive real property under subsection (b):

(1) Land-grant colleges and universities (as defined in section 1404(13) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103(13))).

(2) 1994 Institutions (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103-382)).

(3) Hispanic-serving agricultural colleges and universities (as defined in section 1404(10) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103(10))).

(d) CONDITIONS ON RECEIPT.—As a condition of the conveyance of real property under subsection (b), the recipient of the property must—

- (1) be located in the same State or territory of the United States in which the property is located; and
- (2) agree to accept and use the property for agricultural and natural resources research for a minimum of 25 years.】

【SEC. 733. None of the funds appropriated or otherwise made available to the Department of Agriculture or the Food and Drug Administration shall be used to transmit or otherwise make available to any non-Department of Agriculture or non-Department of Health and Human Services employee questions or responses to questions that are a result of information requested for the appropriations hearing process.】

【SEC. 734. Section 9 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758) is amended by adding at the end the following:】

【"(1)FOOD DONATION PROGRAM.—

"(1)IN GENERAL.—Each school and local educational agency participating in the school lunch program under this Act may donate any food not consumed under such program to eligible local food banks or charitable organizations.

"(2)GUIDANCE.—

"(A)IN GENERAL.—Not later than 180 days after the date of the enactment of this subsection, the Secretary shall develop and publish guidance to schools and local educational agencies participating in the school lunch program under this Act to assist such schools and local educational agencies in donating food under this subsection.

"(B)UPDATES.—The Secretary shall update such guidance as necessary.

"(3)LIABILITY.—Any school or local educational agency making donations pursuant to this subsection shall be exempt from civil and criminal liability to the extent provided under the Bill Emerson Good Samaritan Food Donation Act (42 U.S.C. 1791).

"(4)DEFINITION.—In this subsection, the term 'eligible local food banks or charitable organizations' means any food bank or charitable organization which is exempt from tax under section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(3))."。】

【SEC. 735. There is hereby appropriated for the "Emergency Conservation Program", for necessary expenses resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), \$122,700,000, to remain available until expended: *Provided*, That the preceding amount is designated by the Congress as being for disaster relief pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That there is hereby appropriated for the "Emergency Forest Restoration Program", for necessary expenses resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.),

\$28,400,000, to remain available until expended: *Provided further*, That the preceding amount is designated by the Congress as being for disaster relief pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That there is hereby appropriated for the "Emergency Watershed Protection Program", for necessary expenses resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), \$215,900,000, to remain available until expended: *Provided further*, That the preceding amount is designated by the Congress as being for disaster relief pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985. ]

[SEC. 736. Unless otherwise authorized by existing law, none of the funds provided in this Act, may be used by an executive branch agency to produce any prepackaged news story intended for broadcast or distribution in the United States unless the story includes a clear notification within the text or audio of the prepackaged news story that the prepackaged news story was prepared or funded by that executive branch agency. ]

[SEC. 737. No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act or any other Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment. ]

SEC. [738]721. None of the funds made available by this Act may be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to any corporation that was convicted (or had an officer or agent of such corporation acting on behalf of the corporation convicted) of a felony criminal violation under any Federal or State law within the preceding 24 months, where the awarding agency is aware of the conviction, unless the agency has considered suspension or debarment of the corporation, or such officer or agent, and made a determination that this further action is not necessary to protect the interests of the Government.

SEC. [739]722. None of the funds made available by this Act may be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation that any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, where the awarding agency is aware of the unpaid tax liability, unless the agency has considered suspension or debarment of the corporation and made a determination that this further action is not necessary to protect the interests of the Government.

[SEC. 740. Unobligated balances not to exceed \$31,000,000 for the "Emergency Watershed Protection Program" provided in Public Law 108-199, Public Law 109-234, and Public Law 110-28 shall be available for the purposes of such program for disasters occurring in 2011, and shall remain available until expended: *Provided*, That the amounts made available by this section are designated by Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), as amended. ]

[SEC. 741. Funds made available by this Act under title II of the Food for Peace Act (7 U.S.C. 1721 et seq.) may only be used to provide assistance to recipient nations if adequate monitoring and controls, as determined by the Administrator of the U.S. Agency for International Development, are in place to ensure that emergency food aid is received by the intended beneficiaries in areas affected by food shortages and not diverted for unauthorized or inappropriate purposes. ]

[SEC. 742. None of the funds made available by this Act may be used to pay the salaries and expenses of personnel who provide nonrecourse marketing assistance loans for mohair under section 1201 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8731). ]

[SEC. 743. None of the funds made available by this Act may be used to implement an interim final or final rule regarding nutrition programs under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) that—

(1) requires crediting of tomato paste and puree based on volume;

(2) implements a sodium reduction target beyond Target I, the 2-year target, specified in Notice of Proposed Rulemaking, "Nutrition

Standards in the National School Lunch and School Breakfast Programs" (FNS-2007-0038, RIN 0584-AD59) until the Secretary certifies that the Department has reviewed and evaluated relevant scientific studies and data relevant to the relationship of sodium reductions to human health; and

(3) establishes any whole grain requirement without defining "whole grain." ]

[SEC. 744. For fiscal year 2012, section 363 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2006e) shall not apply to any project funded under the community facilities programs authorized under such Act if such project is also subject to approval of a permit issued under section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344). ]

[SEC. 745. None of the funds made available by this Act may be used by the Secretary of Agriculture to provide direct payments under section 1103 or 1303 of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8713, 8753) to any person or legal entity that has an average adjusted gross income (as defined in section 1001D of the Food Security Act of 1985 (7 U.S.C. 1308-3a)) in excess of \$1,000,000. ]

[SEC. 746. None of the funds made available by this Act may be used to implement an interim final or final rule that—

(1) sets any maximum limits on the serving of vegetables in school meal programs established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and by section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773); or

(2) is inconsistent with the recommendations of the most recent Dietary Guidelines for Americans for vegetables. ]

[SEC. 747. For 2012 and subsequent fiscal years—

(1) Any balances to carry out a housing demonstration program to provide revolving loans for the preservation of low-income multi-family housing projects as authorized in Public Law 108-447 and Public Law 109-97 and a demonstration program for the preservation and revitalization of the section 515 multi-family rental housing properties as authorized by Public Law 109-97 and Public Law 110-5 shall be transferred to and merged with the "Rural Housing Service, Multi-family Housing Revitalization Program Account";

(2) Any prior balances in the Rural Development, Rural Community Advancement Program account for programs authorized by section 306 and described in section 381E(d)(1) of such Act be transferred and merged with the "Rural Community Facilities Program Account" and any other prior balances from the Rural Development, Rural Community Advancement Program account that the Secretary determines are appropriate to transfer;

(3) Any prior balances in the Rural Development, Rural Community Advancement Program account for programs authorized by sections 306 and 310B and described in sections 310B(f) and 381E(d)(3) of such Act be transferred and merged with the "Rural Business Program Account" and any other prior balances from the Rural Development, Rural Community Advancement Program account that the Secretary determines are appropriate to transfer; and

(4) Any prior balances in the Rural Development, Rural Community Advancement Program account programs authorized by sections 306, 306A, 306C, 306D, 306E, and 310B and described in sections 306C(a)(2), 306D, 306E, and 381E(d)(2) of such Act be transferred to and merged with the "Rural Water and Waste Disposal Program Account" and any other prior balances from the Rural Development, Rural Community Advancement Program account that the Secretary determines are appropriate to transfer. ]

[SEC. 748. In addition to amounts otherwise made available by this Act, there is appropriated to implement the Water Bank Act (16 U.S.C. 1301-1311) \$7,500,000, to remain available until expended: *Provided*, That, notwithstanding section 6 of such Act (16 U.S.C. 1305), agreements entered into with funds provided under this section shall not be renewed: *Provided further*, That, in utilizing funds provided under this section, the Secretary of Agriculture may waive the percentage limitation in the last sentence of section 11 of such Act (16 U.S.C. 1310) to ensure efficient administration of the program authorized by such Act: *Provided further*, That flooded agricultural lands, as determined by the Secretary, shall be eligible to be enrolled in the program. ]

SEC. 723. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out the following: (a) a Conservation Stewardship Program as authorized by Chapter 2 of subtitle D of title XII of the Food

*Security Act of 1985, as amended (16 U.S.C. 3838d-3838i), to enroll in excess of 12,009,368 acres in the fiscal year 2013. Such program shall be permanently reduced by 759,632 acres; (b) an Agricultural Management Assistance Program as authorized by section 524 of the Federal Crop Insurance Act, as amended (7 U.S.C. 1524), in excess of \$2,500,000 for the Natural Resources Conservation Service. Funds exceeding this amount for fiscal year 2013 are hereby permanently cancelled; (c) an Environmental Quality Incentives Program as authorized by sections 1240–1240H of the Food Security Act of 1985, as amended (16 U.S.C. 3839aa-3839aa(8)), in excess of \$1,403,000,000. Funds exceeding this amount for fiscal year 2013 are hereby permanently cancelled; (d) a program authorized by section 14(h)(1) of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012(h)(1)). Of the funds available under such section for fiscal year 2013, \$165,000,000 are hereby permanently cancelled; (e) a Wildlife Habitat Incentives Program established under section 1240N of the Food Security Act of 1985, as amended (16 U.S.C. 3839bb-1), in excess of \$73,000,000. Funds exceeding this amount for fiscal year 2013 are hereby permanently cancelled; (f) a performance-based premium discount in the crop insurance program authorized by section 508(d)(3) of the Federal Crop Insurance Act (7 U.S.C. 1508(d)(3)). Funds made available under such section for fiscal year 2013 are hereby permanently cancelled.*

*SEC. 724. In addition to amounts otherwise made available by this Act, there is appropriated from the Commodity Credit Corporation to implement*

*the Voluntary Public Access and Habitat Incentive Program (16 U.S.C. 3839bb-5), \$5,000,000, to remain available until expended.*

*SEC. 725. Subject to authorization by the Congress, there is hereby appropriated \$40,000,000, to remain available until expended, for the purpose of settling written claims filed under the Equal Credit Opportunity Act from July 1, 1997, to October 31, 2009.*

*SEC. 726. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out a program under subsection (b)(2)(A)(v) of section 14222 of Public Law 110–246 in excess of \$1,131,000,000: Provided, That none of the funds made available in this or any other Act shall be used for salaries and expenses to carry out in this fiscal year section 19(i)(1)(E) of the Richard B. Russell National School Lunch Act, as amended, except in an amount that excludes the transfer of \$117,000,000 of the funds to be transferred under subsection (c) of section 14222 of Public Law 110–246, until October 1, 2013: Provided further, That \$117,000,000 made available October 1, 2013, to carry out Section 19(i)(1)(E) of the Richard B. Russell National School Lunch Act, as amended, shall be excluded from the limitation described in subsection (b)(2)(A)(vi) of section 14222 of Public Law 110–246. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2012.)*

