

## 18. USER CHARGES AND OTHER COLLECTIONS

In addition to collecting taxes and other receipts by the exercise of its sovereign powers, which is discussed in the previous chapter, the Federal Government collects income from the public from market-oriented activities and the financing of regulatory expenses. These collections are classified as user charges, and they include the sale of postage stamps and electricity, charges for admittance to national parks, premiums for deposit insurance, and proceeds from the sale of assets, such as rents and royalties for the right to extract oil from the Outer Continental Shelf.

Depending on the laws that authorize the user charges, most are credited to expenditure accounts as “offsetting collections,” or to receipt accounts as “offsetting receipts.” The budget refers to these amounts as “offsetting” because they are subtracted from gross outlays rather than added to taxes on the receipts side of the budget. The purpose of this treatment is to produce budget totals for receipts, outlays, and budget authority in terms of the amount of resources allocated governmentally, through collective political choice, rather than through the market.<sup>1</sup> In addition, some regulatory fees therefore are classified as governmental receipts and are on the receipts side of the budget.

Usually offsetting collections are authorized to be spent for the purposes of the account without further action by the Congress. Offsetting receipts may or may not be earmarked for a specific purpose, depending on the legislation that authorizes them. When earmarked, the authorizing legislation may either authorize them to be spent without further action by the Congress, or require them to be appropriated in annual appropriations acts before they can be spent.

Offsetting collections and receipts include most user charges, which are discussed below, as well as some amounts that are not user charges. Table 18–1 summarizes these transactions. For 2008, total offsetting collections and receipts from the public are estimated to be \$319.3 billion, and total user charges are estimated to be \$244.6 billion.

The following section discusses user charges and the Administration’s user charge proposals. The subsequent section displays more information on offsetting collections and receipts. The offsetting collections and receipts by agency are displayed in Table 21–1, which appears in Chapter 21, “Outlays to the Public, Gross and Net,” of this volume. Collections specifically related to credit programs are discussed in Chapter 7, “Credit and Insurance.”

**Table 18–1. GROSS OUTLAYS, USER CHARGES, OTHER OFFSETTING COLLECTIONS AND RECEIPTS FROM THE PUBLIC, AND NET OUTLAYS**

(In billions)

	Actual 2006	Estimate	
		2007	2008
Gross outlays .....	2,935.5	3,100.3	3,221.1
Offsetting collections and receipts from the public:			
User charges <sup>1</sup> .....	-197.8	-226.8	-241.2
Other .....	-82.2	-89.2	-78.1
Subtotal, offsetting collections and receipts from the public ...	-280.1	-316.0	-319.3
Net outlays .....	2,655.4	2,784.3	2,901.9

<sup>1</sup>Total user charges are shown below. They include user charges that are classified on the receipts side of the budget in addition to the amounts shown on this line. For additional details of total user charges, see Table 18–2, “Total User Charge Collections.”

Total user charges:			
Offsetting collections and receipts from the public .....	197.8	226.8	241.2
Receipts .....	3.5	3.5	3.4
Total, User charges .....	201.4	230.3	244.6

<sup>1</sup>Showing collections from business-type transactions as offsets on the spending side of the budget follows the concept recommended by the *Report of the President’s Commission*

on *Budget Concepts* in 1967. The concept is discussed in Chapter 26: “The Budget System and Concepts” in this volume.

## USER CHARGES

### I. Introduction and Background

The Federal Government often charges those who benefit directly from a particular activity or those subject to regulation. Based on the definition used in this chapter, Table 18–2 shows that user charges were \$201.4 billion in 2006, and are estimated to increase to \$230.3 billion in 2007 and to \$244.6 billion in 2008, growing to an estimated \$275.5 billion in 2012, including the user charges proposals that are shown in Table 18–3. This table shows that the Administration’s user charge proposals, including extension of expiring charges, would increase user charges by an estimated \$4.5 billion in 2008, growing to an estimated \$19.1 billion in 2012.

**Definition.** User charges are fees, charges, and assessments levied on individuals or organizations directly benefiting from, or subject to regulation by, a Government program or activity. In addition, the payers of the charge must be limited to those benefiting from, or subject to regulation by, the program or activity, and may not include the general public, and generally does not apply to a broad segment of the public (such as those who pay income taxes or customs duties).

- Examples of business-type or market-oriented user charges include charges for the sale of postal services (the sale of stamps), electricity (e.g., sales by the Tennessee Valley Authority), proceeds from the sale of goods by defense commissaries, payments for Medicare voluntary supplemental medical insurance, life insurance premiums for veterans, recreation fees for parks, and proceeds from the sale of assets (property, plant, and equipment) and natural resources (such as timber, oil, and minerals).
- Examples of regulatory and licensing user charges include charges for regulating the nuclear energy industry, bankruptcy filing fees, immigration fees, food inspection fees, passport fees, and patent and trademark fees.

The “user charges” concept used here aligns these estimates with the concept that establishes policy for charging prices to the public for the sale or use of goods, services, property, and resources (see OMB Circular No. A–25, “User Charges,” July 8, 1993).

User charges do not include all offsetting collections and receipts from the public, such as repayments received from credit programs; interest, dividends, and other earnings; payments from one part of the Federal Government to another; or cost sharing contributions. Nor do they include earmarked taxes (such as taxes paid to social insurance programs or excise taxes on gasoline), or customs duties, fines, penalties, and forfeitures.

**Alternative definitions.** The definition used in this chapter is useful because it is similar to the definition used in OMB Circular No. A–25, “User Charges,” which provides policy guidance to Executive Branch agencies on setting prices for user charges. Alternative defini-

tions may be used for other purposes. Much of the discussion of user charges below—their purpose, when they should be levied, and how the amount should be set—applies to these alternatives as well.

Other definitions of user charges could, for example:

- be narrower than the one used here, by limiting the definition to proceeds from the sale of goods and services (and excluding the sale of assets), and by limiting the definition to include only proceeds that are earmarked to be used specifically to finance the goods and services being provided. This definition is similar to one the House of Representatives uses as a guide for purposes of committee jurisdiction. (See the *Congressional Record*, January 3, 1991, p. H31, item 8.)
- be even narrower than the user fee concept described above, by excluding regulatory fees and focusing solely on business-type transactions.
- be broader than the one used in this chapter by including beneficiary- or liability-based excise taxes, such as gasoline taxes.<sup>2</sup>

**What is the purpose of user charges?** The purpose of user charges is to improve the efficiency and equity of certain Government activities, and to reduce the burden on taxpayers to finance activities whose benefits accrue to a relatively limited number of people, or to impose a charge on activities that impose a cost on the public.

User charges that are set to cover the costs of production of goods and services can provide efficiency in the allocation of resources within the economy. They allocate goods and services to those who value them the most, and they signal to the Government how much of the goods or services it should provide. Prices in private, competitive markets serve the same purposes.

User charges for goods and services that do not have special social benefits improve equity, or fairness, by requiring that those who benefit from an activity are the same people who pay for it. The public often perceives user charges as fair because those who benefit from the good or service pay for it in whole or in part, and those who do not benefit do not pay.

**When should the Government charge a fee?** Discussions of whether to finance spending with a tax or a fee often focus on whether the benefits of the activity are to the public in general or to a limited group of people. In general, if the benefits accrue broadly to the public, then the program should be financed by taxes paid by the public; in contrast, if the benefits accrue to a limited number of private individuals or organizations, then the program should be financed by charges paid by the private beneficiaries. For Federal

<sup>2</sup>Beneficiary- and liability-based taxes are terms taken from the Congressional Budget Office, *The Growth of Federal User Charges*, August 1993, and updated in October 1995. In addition to gasoline taxes, examples of beneficiary-based taxes include taxes on airline tickets, which finance air traffic control activities and airports. An example of a liability-based tax is the excise tax that formerly helped fund the hazardous substance superfund in the Environmental Protection Agency. This tax was paid by industry groups to finance environmental cleanup activities related to the industry activity but not necessarily caused by the payer of the fee.

programs where the benefits are entirely public or entirely private, applying this principle is relatively easy. For example, according to this principle, the benefits from national defense accrue to the public in general and should be (and are) financed by taxes. In contrast, the benefits of electricity sold by the Tennessee Valley Authority accrue exclusively to those using the electricity, and should be (and are) financed by user charges.

In many cases, however, an activity has benefits that accrue to both public and to private groups, and it may be difficult to identify how much of the benefits accrue to each. Because of this, it can be difficult to know how much of the program should be financed by taxes and how much by fees. For example, the benefits from recreation areas are mixed. Fees for visitors to these areas are appropriate because the visitors benefit directly from their visit, but the public in general also benefits because these areas protect the Nation's natural and historic heritage now and for posterity.

As a further complication, where a fee may be appropriate to finance all or part of an activity, some consideration must be given to the ease of administering the fee.

**What should be the amount of the fee?** For programs that have private beneficiaries, the amount of the charge should depend on the costs of producing the goods or services and the portion of the program that is for private benefits. If the benefit is primarily private and any public benefits are incidental, current policies support charges that cover the full cost to the Government, including both direct and indirect costs. When the Government is not acting in its capacity as sovereign and engages in a business-type transaction (i.e., leasing or selling goods, services, or resources), market price should be the basis for establishing the fee.<sup>3</sup>

The Executive Branch is working to put cost accounting systems in place across the Government that would make the calculation of full cost more feasible. The difficulties in measuring full cost are associated in part with allocating to an activity the full costs of capital, retirement benefits, and insurance, as well as other Federal costs that may appear in other parts of the budget. Guidance in the Statement of Federal Financial Accounting Standards No. 4, "Managerial Cost Accounting Standards" for the Federal Government (July 31, 1995), should underlie cost accounting in the Federal Government.

## II. TOTAL USER CHARGES

As shown in Table 18-2, total user charge collections (including those proposed in this Budget) are estimated to be \$244.6 billion in 2008, increasing to \$275.5 billion in 2012. User charge collections by the Postal Service

**Classification of user charges in the budget.** As shown in Table 18-1, most user charges are classified as offsets to outlays on the spending side of the budget, but a few are classified on the receipts side of the budget. An estimated \$3.4 billion in 2008 are classified on the receipts side and are included in the totals described in Chapter 17. "Federal Receipts." They are classified as receipts because they are regulatory charges collected by the Federal Government by the exercise of its sovereign powers. Examples include filing fees in the United States courts, agricultural quarantine inspection fees, and passport fees. These regulatory charges are unlike user fees classified as offsets to outlays, which are normally for identifiable goods or services whose benefits primarily fall to the party paying the fee and for which alternatives may exist in the private sector or State and local sector.

The remaining user charges, an estimated \$241.2 billion in 2008, are classified as offsetting collections and receipts on the spending side of the budget. Some of these are collected by the Federal Government by the exercise of its sovereign powers and conceptually would appear on the receipts side of the budget, but are required by law to be classified on the spending side as offsetting collections or receipts. Examples of these fees include immigration examination fees, U. S. customs processing fees, and nuclear regulatory fees.

An estimated \$141.8 billion of user charges for 2008 are credited directly to expenditure accounts, and are generally available for expenditure when they are collected, without further action by the Congress. An estimated \$99.4 billion of user charges for 2008 are deposited in offsetting receipt accounts, and are available to be spent only according to the legislation that established the charges.

As a further classification, the accompanying Tables 18-2 and 18-3 identify the user charges as discretionary or mandatory. These classifications are terms from the Budget Enforcement Act of 1990 as amended and are used frequently in the analysis of the budget. "Discretionary" in this chapter refers to user charges generally controlled through annual appropriations acts and under the jurisdiction of the appropriations committees in the Congress. "Mandatory" refers to user charges controlled by permanent laws and under the jurisdiction of the authorizing committees.

These and other classifications are discussed further in this volume in Chapter 26, "The Budget System and Concepts."

and for Medicare premiums are the largest and are estimated to be more than half of total user charge collections in 2008.

<sup>3</sup>Policies for setting user charges are promulgated in OMB Circular No. A-25: "User Charges" (July 8, 1993).

Table 18-2. TOTAL USER CHARGE COLLECTIONS

(In millions of dollars)

	Actual 2006	Estimates					
		2007	2008	2009	2010	2011	2012
<b>Receipts</b>							
Judicial Branch: Filing fees, U.S. courts .....	221	144	172	157	153	159	164
Department of Agriculture: Agricultural quarantine inspection fees .....	418	455	494	502	509	517	524
Department of the Interior: Abandoned mine reclamation fund .....	303	301	295	270	275	282	286
Department of State: Immigration, passport, and consular fees .....	861	719	732	731	730	729	728
Corps of Engineers: Harbor maintenance fees .....	1,207	1,264	1,367	1,461	1,561	1,663	1,770
Other .....	538	567	357	304	306	309	312
Subtotal, receipts .....	3,548	3,450	3,417	3,425	3,534	3,659	3,784
<b>Offsetting Collections and Receipts from the Public</b>							
<b>Discretionary</b>							
Department of Agriculture: Food safety inspection and other charges .....	316	312	309	305	304	309	312
Department of Commerce: Patent and trademark, fees for weather services, and other charges .....	1,779	1,892	2,034	2,182	2,368	2,574	2,757
Department of Defense: Commissary and other charges .....	10,079	10,564	10,417	10,393	10,392	10,392	10,392
Department of Energy: Federal Energy Regulation Commission, power marketing, and other charges .....	982	1,131	1,345	1,323	1,319	1,349	1,361
Department of Health and Human Services: Food and Drug Administration, Centers for Medicare and Medicaid Services, and other charges .....	1,247	972	1,193	1,104	1,100	1,124	1,134
Department of Homeland Security: Border and Transportation Security and other charges .....	2,051	2,431	2,761	2,842	2,937	3,035	3,136
Department of the Interior: Minerals Management Service and other charges .....	736	721	843	826	811	848	850
Department of Justice: Charges for bankruptcy oversight and other charges .....	301	329	364	358	357	365	368
Department of State: Passport and other charges .....	948	1,308	1,576	1,622	1,670	1,719	1,769
Department of Transportation: FAA user fee proposal, pipeline safety, and other charges .....	188	105	252	8,422	8,908	9,344	9,766
Department of the Treasury: Sale of commemorative coins and other charges .....	1,606	1,992	1,948	1,916	1,909	1,954	1,970
Department of Veterans Affairs: Medical care and other charges .....	2,082	2,274	2,431	2,518	2,607	2,703	2,801
General Services Administration: Acquisition services fund and other charges .....	87	452	470	481	491	501	511
Social Security Administration: State supplemental fees, supplemental security income .....	116	119	135	133	132	135	137
Federal Communications Commission: Regulatory fees .....	383	374	397	391	389	398	402
Federal Trade Commission: Regulatory fees .....	133	153	165	162	162	165	167
Nuclear Regulatory Commission: Regulatory fees .....	624	641	765	756	756	774	783
Securities and Exchange Commission: Regulatory fees .....	1,904	1,379	1,147	1,332	1,520	1,740	1,742
All other agencies, discretionary user charges .....	-3,036	305	255	249	246	247	248
Subtotal, discretionary user charges .....	22,526	27,454	28,807	37,315	38,378	39,676	40,606
<b>Mandatory</b>							
Department of Agriculture: Crop insurance and other charges .....	1,941	1,829	2,648	2,457	2,405	2,444	2,374
Department of Defense: Commissary surcharge and other charges .....	1,036	742	784	791	770	703	515
Department of Energy: Proceeds from the sale of energy, nuclear waste disposal, and other charges .....	4,491	4,680	4,553	4,769	4,608	4,670	4,594
Department of Health and Human Services: Medicare Part B and Part D insurance premiums and other charges .....	47,250	54,956	59,578	64,404	69,320	74,660	80,728
Department of Homeland Security: Customs, immigration, and other charges .....	7,024	7,478	8,428	8,345	8,782	9,222	9,646
Department of the Interior: Recreation and other charges .....	6,156	4,778	5,148	5,654	5,497	5,383	5,866
Department of Justice: Federal Prison Commissary fees and other charges .....	435	516	549	561	575	588	602
Department of Labor: Insurance premiums to guaranty private pensions and other charges .....	3,160	3,756	3,607	6,575	7,532	7,943	8,561
Department of the Treasury: Bank regulation, and other charges .....	956	1,048	1,120	1,146	1,186	1,228	1,272
Department of Veterans Affairs: Veterans life insurance and other charges .....	2,468	2,499	2,207	2,291	2,258	2,230	2,239
Office of Personnel Management: Federal employee health and life insurance fees .....	11,164	11,560	12,207	13,001	13,947	14,991	15,978
Federal Deposit Insurance Corporation: Deposit insurance fees and other charges .....	252	865	2,526	5,318	6,946	8,105	6,330
National Credit Union Administration: Credit union share insurance and other charges .....	353	401	453	477	434	461	487
Postal Service: Fees for postal services .....	70,348	73,672	76,733	70,273	70,533	70,865	71,312
Tennessee Valley Authority: Proceeds from the sale of energy .....	9,051	9,136	9,410	8,428	8,708	8,987	9,354
<b>Undistributed Offsetting Receipts:</b>							
Department of Commerce: Digital television transition and public safety fund .....			11,800	2,058			
Department of the Interior: Arctic National Wildlife Refuge, lease bonuses .....				7,004	4	1,006	6
Executive Office of the President: Spectrum relocation receipts .....		6,850					
Federal Communications Commission: Auction receipts .....	111	6,900	50	100	100	100	
Outer Continental Shelf receipts and other collections .....	7,283	6,940	9,621	10,662	9,558	10,166	10,208
All other agencies, mandatory user charges .....	1,815	765	957	957	973	1,018	1,004
Subtotal, mandatory user charges .....	175,294	199,371	212,379	215,271	214,136	224,770	231,076
Subtotal, user charges that are offsetting collections and receipts from the public .....	197,820	226,825	241,186	252,586	252,514	264,446	271,682
<b>TOTAL, User charges</b> .....	<b>201,368</b>	<b>230,275</b>	<b>244,603</b>	<b>256,011</b>	<b>256,048</b>	<b>268,105</b>	<b>275,466</b>

### III. USER CHARGE PROPOSALS

As shown in Table 18–3, the Administration is proposing new or increased user charges, including proposed extensions of expiring charges, that would increase collections by an estimated \$4.5 billion in 2008, increasing to \$19.1 billion in 2012. These amounts are collections and receipts only. They do not include related spending.

#### A. Discretionary User Charge Proposals

##### 1. Offsetting collections

#### Department of Commerce: Minority Business Development Agency

*Conference fees.* The Budget proposed to give the Minority Business Development Agency (MBDA) the authority to collect and retain fees to offset the costs of conducting conferences. MBDA conducts the annual Minority Enterprise Development (MED) Week conference and estimated fees are less than \$500 thousand per year.

#### Department of Defense (DOD)

*Medical care enrollment fees and deductible.* The Budget gives DOD the authority to increase enrollment fees and deductibles for military retirees under age 65 (and families). The new cost shares differ for officer and enlisted retirees and for those in the different types of plans. The Budget also assumes that retail pharmacy co-payments for all military retirees will increase. None of these changes apply to active-duty members and their dependents. DOD will take into account the recommendations of the DOD Task Force on the Future of Military Health Care before final implementation.

The total 2008 savings for these proposals is estimated to be \$1,862 million.

#### Department of Health and Human Services

##### Food and Drug Administration (FDA)

*Generic drug review activities fee.* Generic drugs play an important role in reducing the cost of pharmaceuticals. The Budget proposes a new user fee to generate additional resources to support FDA's generic drug review activities. Similar to the purpose of FDA's current prescription drug user fees, the proposed generic drug user fee would be targeted towards improving review times and reducing the backlog of applications.

*Expiring user fees.* The Prescription Drug User Fee Act, the Medical Devices User Fee and Modernization Act, and the Mammography Quality Standards Act will expire on September 30, 2007. These laws authorize the FDA to assess and collect fees associated with the pre-market review of prescription drugs, medical devices, and activities related to ensuring mammography quality. The Administration supports reauthorizing the collection and spending of these fees.

##### Centers for Medicare and Medicaid Services

*Survey and certification user fee.* The Budget proposes a new user fee for the survey and certification program within the Centers for Medicare and Medicaid Services. The agency would charge facilities participating in Medicare and Medicaid a fee for conducting follow-up surveys, which verify that they have taken appropriate action to correct identified deficiencies in compliance with specific Federal health, safety, and quality standards.

Table 18-3. USER FEE AND OTHER USER CHARGE PROPOSALS<sup>1</sup>

(Estimated collections in millions of dollars)

	2007	2008	2009	2010	2011	2012	2008-2012
<b>DISCRETIONARY:</b>							
<i>1. Offsetting collections</i>							
<b>Department of Commerce: Minority Business Development Agency</b>							
Conference fees .....		*	*	*	*	*	2
<b>Department of Defense</b>							
Medical care enrollment fees and deductible .....		1,862	2,322	2,815	3,424	4,061	14,484
<b>Department of Health and Human Services</b>							
Food and Drug Administration:							
Generic drug review activities fee .....		16	16	16	16	16	80
Prescription drug user fee .....		339	333	332	340	343	1,687
Medical devices user fee .....		48	47	47	48	49	239
Mammography standards user fee .....		18	18	18	18	18	90
Centers for Medicare and Medicaid Services: Survey and certification user fee .....		35	34	34	35	35	173
<b>Department of Transportation</b>							
Federal Aviation Administration: User fee proposal .....			8,173	8,660	9,092	9,511	35,436
<b>Federal Election Commission</b>							
Registration fees .....		*	*	*	*	*	1
<i>2. Offsetting receipts</i>							
<b>Department of Homeland Security: U.S. Citizenship and Immigration Services</b>							
Systematic alien verification for entitlements program .....		3	3	3	3	3	15
<b>Department of Housing and Urban Development</b>							
Office of Federal Housing Enterprise Oversight .....		-66	-65	-65	-66	-67	-329
<b>Department of the Interior</b>							
Repeal Energy Act fee prohibition .....		21	21	21	21	21	105
Subtotal, discretionary user charge proposals .....		2,277	10,903	11,882	12,932	13,991	51,983
<b>MANDATORY:</b>							
<i>1. Offsetting collections</i>							
<b>Department of Labor</b>							
Pension Benefit Guaranty Corporation premiums .....			1,390	1,387	1,400	1,295	5,472
<b>Federal Housing Enterprise Regulator</b>							
Government-Sponsored Enterprises regulatory fee .....		101	105	105	107	109	527
<b>Federal Housing Finance Board</b>							
Federal Home Loan Bank fees .....		-35	-39	-40	-41	-42	-197
<i>2. Offsetting receipts</i>							
<b>Department of Agriculture</b>							
Food Safety and Inspection Service user fees .....		96	98	100	102	104	500
Grain, Inspection, Packers, and Stockyards Administration user fees .....		22	22	23	23	24	115
Animal and Plant Health Inspection Service user fees .....		9	13	13	14	14	63
Federal crop insurance fees .....			15	15	15	15	60
Forest county safety net payments .....		467	264	180	137		1,048
<b>Department of Defense</b>							
National defense stockpile asset sales: Authorization for additional sales .....		69	145	198	145	25	582
<b>Department of Health and Human Services</b>							
Food and Drug Administration: Re-inspection fees and export certification fees .....		27	28	28	29	30	142
Centers for Medicare and Medicaid Services: Additional Medicare premiums .....		403	804	1,116	1,432	1,792	5,547
<b>Department of Housing and Urban Development</b>							
Ginnie Mae premium increase .....		46	46	46	46	46	230
Government-Sponsored Enterprises oversight fee .....		6	6	6	6	6	30
<b>Department of the Interior</b>							
Amend Bureau of Land Management Federal land sale authority .....		5	10	14	53	53	135
Require upfront payment of coal bonus bid receipts .....		2	121	115	54	134	426
Arctic National Wildlife Refuge lease bonuses:							
Collections for payment to Alaska .....			3,502	2	503	3	4,010
Collections deposited in the Treasury .....			3,502	2	503	3	4,010
<b>Department of Labor</b>							
Foreign labor certification fees .....		65	65	65	65	65	325
<b>Department of Veterans Affairs</b>							
Pharmacy co-pay increase .....		311	304	306	307	342	1,570
Income-based medical care enrollment fee .....			138	134	129	125	526
Third-party insurance co-payment offset .....		44	44	44	43	43	218
<b>Corps of Engineers—Civil Works</b>							
Additional recreation fees .....		7	10	13	16	19	65

**Table 18-3. USER FEE AND OTHER USER CHARGE PROPOSALS<sup>1</sup>—Continued**

(Estimated collections in millions of dollars)

	2007	2008	2009	2010	2011	2012	2008–2012
<b>Environmental Protection Agency</b>							
Pesticide user fees .....		66	57	60	66	57	306
Pre-manufacture notice user fees .....		4	8	8	8	8	36
<b>Commodity Futures Trading Commission</b>							
Transaction fees .....		86	89	92	95	99	461
<b>Federal Communications Commission</b>							
Spectrum license fee authority .....		50	150	300	300	400	1,200
Extend spectrum auction authority .....						200	200
Prospective ancillary terrestrial component spectrum auctions .....		150	150	150	150	150	750
Domestic satellite spectrum auctions .....	130	252	105	100	100	75	632
Subtotal, mandatory user charge proposals .....	130	2,253	11,152	4,582	5,807	5,194	28,989
<b>GOVERNMENTAL RECEIPTS</b>							
<b>Department of Transportation</b>							
Federal Aviation Administration: Aviation overflight fees .....			-56	-58	-60	-62	-236
<b>Total, user charge proposals</b> .....	<b>130</b>	<b>4,530</b>	<b>21,999</b>	<b>16,406</b>	<b>18,679</b>	<b>19,123</b>	<b>80,736</b>

<sup>1</sup> A negative sign indicates a decrease in collections.  
\* \$500 thousand or less

### Department of Transportation: Federal Aviation Administration (FAA)

*User fee proposal.* The Budget includes a reauthorization proposal that would make the Federal Aviation Administration's financing system more cost-based. The FAA's current excise tax system, which generated \$10.6 billion in 2006, largely based on taxes on the price of airline tickets, does not have a direct relationship between the taxes paid by users and the air traffic control services provided by the FAA. Under its reauthorization proposal, FAA would collect user fees from commercial aviation operators for air traffic control services. Implementing user fees for services provided should create incentives to make the system more efficient and responsive to user needs. FAA would have the authority to collect the user fees that directly offset the cost of its operations; expenditure of the proceeds from these fees would be subject to the appropriations process. The Budget assumes FAA will implement its new financing system starting in 2009, and estimates FAA will collect \$8 billion in user fees during the first year.

### Federal Election Commission

*Registration fees.* The Federal Election Commission hosts public conferences on subjects related to campaign finance. The Administration proposes to grant the FEC authority to collect registration fees from attendees to cover the cost of these events.

### 2. Offsetting receipts

### Department of Homeland Security: U.S. Citizenship and Immigration Services (USCIS)

*Systematic alien verification for entitlements program.* The Budget requests authority for the Secretary of the Department of Homeland Security (DHS) to deposit fees

collected from the Systematic Alien Verification for Entitlements (SAVE) Program into the USCIS immigration examinations fee account. This program is an inter-governmental information-sharing initiative that aids organizations in determining an applicant's/recipient's immigration status, and thereby ensure that only entitled applicants/recipients receive Federal, State, or local public benefits as required by the Immigration Reform and Control Act. The proposed language will clarify DHS authority to collect these fees and provide them the authority to deposit those fees in their mandatory fee account.

### Department of Housing and Urban Development

*Office of Federal Housing Enterprise Oversight.* This proposal is discussed below in the section on the Federal Housing Enterprise Regulator.

### Department of the Interior

*Repeal Energy Act fee prohibition.* A last-minute addition to the 2005 Energy Policy Act prohibited the Bureau of Land Management from implementing new user fees for oil and gas permit processing and instead diverted existing rental receipts to make up for the lost program funding. The Budget proposes to repeal these changes and substitute new user fees for the mandatory funding provided by the Act. The proposal would also repeal a mandatory geothermal program fund drawn from Federal geothermal royalties and return to the traditional 50/50 Federal-State revenue sharing arrangement for geothermal revenues. The proposed fees are expected to generate at least \$20 million per year beginning in 2008, thereby reducing the cost to taxpayers for operating these programs. Additional savings will be generated by discontinuing the Act's mandatory spending provisions related to geothermal receipts.

## B. Mandatory User Charge Proposals

### 1. Offsetting collections

#### Department of Labor

*Pension Benefit Guaranty Corporation (PBGC) premiums.* The Budget re-proposes increases to the premiums paid to the PBGC for single-employer defined benefit pension insurance. Despite improvements in the recently enacted Pension Protection Act, further premium increases are needed to reduce PBGC's \$19 billion deficit.

#### Federal Housing Enterprise Regulator

*Government-Sponsored Enterprises (GSE) regulatory fee.* The Administration will again propose broad reform of the supervisory system for GSEs in the housing market. Fees currently collected by the Office of Federal Housing Enterprise Oversight in the Department of Housing and Development and the Federal Housing Finance Board would instead be collected by a new housing GSE safety and soundness regulator. For additional information, see the "Credit and Insurance" chapter in this volume.

#### Federal Housing Finance Board

*Federal Home Loan Bank fees.* This proposal is discussed above in the section on the Federal Housing Enterprise Regulator.

### 2. Offsetting receipts

#### Department of Agriculture

*Food Safety and Inspection Service (FSIS) user fees.* This Budget proposes two new user fees, a licensing fee and a performance fee. These two fees are different from those proposed in recent budgets and do not try to completely offset a portion of the Food Safety and Inspection Services operational expenses. The recommended fees, estimated to be \$96 million in the first year, include:

- \$92 million for a licensing fee scaled to the size of the operation, and
- \$4 million for a performance fee. Plants that have resampling and retesting due to positive samples, recalls, or are linked to outbreaks would pay a fee to FSIS for each incident.

*Grain Inspection, Packers, and Stockyards Administration (GIPSA) user fees.* The Administration proposes to establish a fee to cover the cost associated with GIPSA's standardization activities and a licensing fee to cover the cost associated with administering meat packers and stockyards activities.

*Animal and Plant Health Inspection Service user fees.* The Administration proposes to establish user fees for animal welfare inspections, for animal research facilities, carriers, and in-transit handlers of animals.

*Federal crop insurance fees.* The Administration proposes to implement a participation fee in the Federal crop insurance program to fund modernization and future maintenance of the existing information technology (IT) system. The fee would be charged to insurance

companies participating in the Federal crop insurance program based on a rate of about one-half cent per dollar of premium sold. Because it is the companies that will most benefit from better, more advanced computer systems, it is reasonable that they contribute to the modernization and maintenance of these systems.

*Forest county safety net payments.* The Budget includes a legislative proposal that authorizes the Secretary of Agriculture to dispose of certain Forest Service lands, up to \$800 million, identified in National Forest plans as suitable for exchange since they are isolated or inefficient to manage. Along with additional proceeds, these receipts will finance payments to the most affected areas and for national forest land acquisition in States where parcels are sold. For the 2007 payment (to be made in 2008), the Administration will continue to work with Congress to identify mutually agreeable offsets.

#### Department of Defense

*National Defense stockpile asset sales: Authorization for additional sales.* The Administration proposes legislation to permit the sale of the remaining government-owned industrial commodities in the National Defense Stockpile that are not needed for national defense requirements. Sales of these commodities are expected to result in mandatory sales receipts of an estimated \$69 million in 2008. Sales receipts are subject to fluctuation based on commodity price changes.

#### Department of Health and Human Services

##### Food and Drug Administration (FDA)

*Re-inspection fees.* FDA conducts post-market inspections of food, human drug, biologic, animal drug and feed, and medical device manufacturers to assess their compliance with Good Manufacturing Practice requirements. The Administration proposes new fees that would be assessed for repeat inspections due to violations found during the first inspection.

*Food and animal feed export certification fees.* FDA collects user fees for the issuance of export certifications for human and animal drugs, and medical devices as authorized by the Federal Food, Drug, and Cosmetic Act. The Administration proposes to expand FDA's authority to collect user fees for the issuance of export certificates for foods and animal feed. Timely issuance of food/feed export certificates funded through user fees would improve the ability of food and animal feed producers to export their products.

##### Centers for Medicare and Medicaid Services

*Additional Medicare premiums.* Medicare beneficiaries share in the costs of their health services through premiums, deductibles, and co-insurance. The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) began to limit the growth in subsidies for certain higher-income beneficiaries. Beneficiaries who are most able to contribute to the costs of their coverage have more responsibility and ownership over their health care utilization and costs.

To help improve Medicare's long-term sustainability, the Budget proposes to broaden the application of reduced subsidies for certain higher-income beneficiaries.

### **Department of Housing and Urban Development (HUD)**

*Ginnie Mae premium increase.* This proposal will create an upfront premium of 6 basis points on new mortgage-backed securities that will be charged to security issuers. This will generate receipts to cover the total cost of administering the Government National Mortgage Association (Ginnie Mae) and promote oversight of such spending.

*Government-Sponsored Enterprises (GSE) oversight fee.* Upon enactment of the Administration's proposal for a strengthened regulator for GSEs, the cost of HUD's responsibilities under the Federal Housing Enterprise Safety and Soundness Act of 1992, and amendments as proposed, would be assessed on Fannie Mae and Freddie Mac. These responsibilities include the establishment and enforcement of affordable housing goals for the GSEs, ensuring GSE compliance with fair housing laws, and providing consultation to the safety and soundness regulator on the GSEs' new activities. The cost of these regulatory responsibilities is currently in the HUD salaries and expenses account as a non-reimbursable expense.

### **Department of the Interior**

*Amend Bureau of Land Management (BLM) Federal land sale authority.* The Administration will propose legislation to amend BLM's land sale authority under the Federal Land Transaction Facilitation Act (FLFTA) to: (1) allow BLM to use updated management plans to identify areas suitable for disposal; (2) allow a portion of the receipts to be used by BLM for restoration projects; (3) return 70 percent of land sale proceeds to the Treasury; and (4) cap receipt retention at \$60 million per year. BLM is currently limited to selling lands that had been identified for disposal in land use plans that were in effect prior to enactment of FLFTA. Use of the receipts is currently limited to the purchase of other lands for conservation purposes. The new receipts shown in this chapter reflect only a portion of the savings from this proposal; additional savings will be generated by redirecting receipts under the existing FLFTA authority to the Treasury. The amounts shown in Table 18-3 reflect receipts only and do not include related spending.

*Require upfront payment of coal bonus bid receipts.* The Budget proposes to amend the Mineral Leasing Act to change the current practice of allowing bonus bid payments for coal lease sales to be made over a five-year period, instead requiring the full payment to be made in the sale year. This proposal would increase near-term revenues, but would reduce revenues in later years when deferred payments under the current system would otherwise be collected.

*Arctic National Wildlife Refuge lease bonuses.* The Budget includes a proposal to authorize the Department of the Interior to conduct environmentally responsible

oil and gas exploration and development within a small area of the Arctic National Wildlife Refuge, sometimes referred to as the "1002 Area," located in northern Alaska. The Department of the Interior estimates that recoverable oil from this area is between 5.7 and 16 billion barrels. The Budget assumes that the first oil and gas lease sale would be held in 2009 and would result in an estimated \$7 billion in new revenues. All oil and gas revenues from the 1002 Area would be shared fifty percent with the State of Alaska, including the estimated \$6 million in annual rental payments. The Federal share of revenues would be deposited in the Treasury.

### **Department of Labor**

*Foreign labor certification fees.* The 2008 Budget re-proposes legislation to establish a cost-based user fee for new applications under the permanent foreign labor certification program. Fee proceeds would offset the costs of administering the program. Upon enactment of the fee, funding for these activities now included in the program administration account will be reviewed and adjusted.

### **Department of Veterans Affairs**

*Medical care fees.* The President's Budget includes legislation to implement new or higher fees for non-disabled higher-income veterans (PL 7/8 veterans). These veterans will pay higher drug co-pays (from \$8 to \$15) and new income-based annual enrollment fees that start at \$250 for those with household incomes of \$50,000 and rise to \$750 for those with incomes of \$100,000 or greater. These proposals do not pertain to veterans who are considered among VA's core mission and the highest priority—those with service disabilities, lower incomes, or special needs. The Budget also includes technical correction language to ensure that current co-pays are charged to all eligible veterans equally and not reduced if a veteran has health insurance. These proposals will result in an additional \$355 million in estimated receipts for 2008.

### **Corps of Engineers—Civil Works**

*Additional recreation fees.* The Corps of Engineers manages 4,300 recreation areas at 465 Corps projects (mostly lakes and reservoirs) on 12 million acres in 43 States at an annual cost of about \$267 million. The Administration re-proposes a recreation modernization ("RecMod") initiative that would encourage the collection of entrance fees (not currently authorized) and the creation of public/private partnerships to improve Corps recreation facilities and services at little or no cost to the Federal Government. The Corps would implement user fees and private/public partnerships selectively, at recreation areas where fees would be appropriate. Some Corps recreation areas are isolated and remote; raising fees there might not be productive. But others are integral parts of prosperous urban communities with valuable lake-front property. Those communities may decide to help upgrade the Corps recreation areas that their

citizens enjoy to provide amenities that might not otherwise be available.

### **Environmental Protection Agency (EPA)**

*Pesticide user fees.* EPA presently collects fees from entities seeking to register their pesticides and from entities with existing pesticides registered for use in the United States. The Administration proposes to better cover the costs of EPA's pesticide services by increasing collections of currently authorized, but soon to expire, pesticide user fees. Furthermore, the Federal Food, Drug, and Cosmetic Act requires EPA to collect fees for the establishment and reassessment of pesticide tolerances. However, collection of these fees has been blocked through 2008. The Administration proposes to eliminate the prohibition and collect the tolerance fee in 2008. In addition, amendments to the Federal Insecticide, Fungicide, and Rodenticide Act require EPA to implement a new program to review all registered pesticides on a 15 year cycle to ensure that registrations reflect current science. EPA initiated this new Registration Review program in 2007. If EPA determines that a pesticide adversely impacts an endangered species during registration review, additional work is required to ensure adequate protections are implemented. The new registration review fee structure is designed to cover the incremental cost of this work.

*Pre-manufacture notice user fees.* EPA presently collects fees from chemical manufacturers seeking to bring new chemicals into commerce. These fees are authorized by the Toxic Substances Control Act and are subject to an outdated statutory cap. The Administration proposes to eliminate the cap so that EPA can recover a greater portion of the cost of the program.

### **Commodity Futures Trading Commission (CFTC)**

*Transaction fees.* The CFTC is the only Federal financial regulator that does not derive its funding from the specialized entities it regulates. The Administration will propose legislation to collect a new transaction fee on commodity futures and option contracts traded on approved exchanges. The fees would be set at a level to equal the costs to the taxpayer of funding CFTC's Market Oversight and Clearing and Intermediary Oversight functions, an estimated \$86 million in 2008. Such fees are already imposed on futures exchanges to fund the programs of the futures industry's self-regulatory organization, and will help to offset the deficit impact of general taxpayer funding of the CFTC's activities.

### **Federal Communications Commission**

*Spectrum license fee authority.* To continue to promote efficient spectrum use, the Administration proposes legislation to provide the Federal Communications Commission (FCC) with new authority to use other economic mechanisms, such as fees, as a spectrum management tool. The Commission would be authorized to set user fees on unauctioned spectrum licenses based on public-interest and spectrum-management principles. Fees would be phased in over time as part of an ongoing rulemaking process to determine the appropriate application and level for fees. Fee collections are proposed to begin in 2008 and are estimated to total more than \$3.6 billion through 2017.

*Extend spectrum auction authority.* The Administration proposes legislation to extend indefinitely the authority of the FCC to auction spectrum licenses, which expires on September 30, 2011. The additional receipts associated with this permanent extension are estimated to total \$1.2 billion through 2017.

*Prospective ancillary terrestrial component spectrum auctions.* The Administration proposes legislation to bring greater competition to the assignment of the land-based component of hybrid terrestrial-satellite communications networks, such as the Ancillary Terrestrial Component to Mobile Satellite Services, subject to technical feasibility as determined by the FCC. The use of auctions to assign the land-based component for any future satellite licenses for these hybrid networks will help to ensure that the radio spectrum is assigned efficiently and effectively. The additional receipts associated with this policy are estimated to total \$1.5 billion through 2017.

*Domestic satellite spectrum auctions.* The Administration proposes legislation to ensure that spectrum licenses for predominantly domestic satellite services are assigned efficiently and effectively through competitive bidding. Services such as Direct Broadcast Satellite and Satellite Digital Audio Radio Services were assigned by auction prior to a 2005 court decision that questioned this practice on technical grounds. By clarifying through legislation that auctions of licenses for these domestic satellite services are authorized, prior policy of the FCC will be restored. The additional receipts associated with this policy are estimated to total \$690 million through 2017.

### **C. User Charge Proposals that are Governmental Receipts**

*Federal Aviation Administration (FAA): Aviation overflight fees.* This proposal is part of the proposal discussed above for the FAA user fees.

## **OTHER OFFSETTING COLLECTIONS AND RECEIPTS**

Table 18-4 shows the distribution of user charges and other offsetting collections and receipts from the public according to whether they are offsetting collections credited to expenditure accounts or offsetting receipts. The table shows that total offsetting collections and receipts from the public are estimated to be \$319.3

billion in 2008. Of these, an estimated \$169.9 billion are offsetting collections credited to expenditure accounts and an estimated \$149.4 billion are deposited in offsetting receipt accounts.

Information on the user charges presented in Table 18-4 is available in Tables 18-2 and 18-3 and the

discussion that accompanies those tables. Major offsetting collections deposited in expenditure accounts that are not user charges include collections by the Commodity Credit Corporation fund in the Department of Agriculture, which are related to loans; collections from States to supplement payments in the supplemental security income program; and pre-credit reform loan repayments. Major offsetting receipts that are not user charges include military assistance program sales and interest income.

Table 18–5 includes all offsetting receipts deposited in receipt accounts. These include offsetting receipts from the public (as summarized in Table 18–4) and also payments from one part of the Government to an-

other, called intragovernmental transactions. These receipts are offset (deducted) from outlays in the Federal budget. In total, offsetting receipts are estimated to be \$737.0 billion in 2008: \$587.6 billion are intragovernmental transactions; and \$149.4 billion are from the public. The \$149.4 billion in offsetting receipts from the public consist of proprietary receipts from the public (\$129.9 billion) and offsetting governmental receipts (\$19.5 billion).

As noted above, offsetting collections and receipts by agency are also displayed in Table 21–1, which appears in Chapter 21, “Outlays to the Public, Gross and Net,” of this volume.

**Table 18–4. OFFSETTING COLLECTIONS AND RECEIPTS FROM THE PUBLIC**

(In billions of dollars)

	Actual 2006	Estimate	
		2007	2008
<b>Offsetting collections (credited to expenditure accounts):</b>			
User charges:			
Postal service stamps and other postal fees (off-budget) .....	70.3	73.7	76.7
Defense Commissary Agency .....	5.5	5.4	5.4
Employee contributions for employees and retired employees health benefits funds .....	9.1	9.4	10.0
Sale of energy:			
Tennessee Valley Authority .....	9.1	9.1	9.4
Bonneville Power Administration .....	3.3	3.3	3.3
All other user charges .....	29.6	34.5	36.9
Subtotal, user charges .....	126.8	135.5	141.8
Other collections credited to expenditure accounts:			
Commodity Credit Corporation fund .....	10.2	13.7	13.2
Supplemental security income (collections from the States) .....	4.2	4.4	4.6
Other collections .....	14.8	10.5	10.4
Subtotal, other collections .....	29.1	28.6	28.1
Subtotal, offsetting collections .....	156.0	164.1	169.9
<b>Offsetting receipts (deposited in receipt accounts):</b>			
User charges:			
Medicare premiums .....	45.1	52.8	57.3
Outer Continental Shelf rents, bonuses, and royalties .....	7.3	6.8	9.2
All other user charges .....	18.6	31.7	32.9
Subtotal, user charges deposited in receipt accounts .....	71.0	91.3	99.4
Other collections deposited in receipt accounts:			
Military assistance program sales .....	14.2	15.1	13.1
Interest income .....	14.7	16.1	16.2
All other collections deposited in receipt accounts .....	24.2	29.4	20.7
Subtotal, other collections deposited in receipt accounts .....	53.1	60.5	49.9
Subtotal, offsetting receipts .....	124.1	151.8	149.4
<b>Total, offsetting collections and receipts from the public .....</b>	<b>280.1</b>	<b>316.0</b>	<b>319.3</b>
<b>Total, offsetting collections and receipts excluding off-budget .....</b>	<b>209.7</b>	<b>242.3</b>	<b>242.5</b>
<b>ADDENDUM:</b>			
User charges that are offsetting collections and receipts <sup>1</sup> .....	197.8	226.8	241.2
Other offsetting collections and receipts from the public .....	82.2	89.2	78.1
<b>Total, offsetting collections and receipts from the public .....</b>	<b>280.1</b>	<b>316.0</b>	<b>319.3</b>

<sup>1</sup> Excludes user charges that are classified on the receipts side of the budget. For total user charges, see Table 18.1 or Table 18.2.

Table 18-5. OFFSETTING RECEIPTS BY TYPE

(In millions of dollars)

Source	2006 Actual	Estimate					
		2007	2008	2009	2010	2011	2012
<b>INTRAGOVERNMENTAL TRANSACTIONS</b>							
<b>On-budget receipts:</b>							
Federal intrafund transactions:							
Distributed by agency:							
Interest from the Federal Financing Bank .....	391	765	1,023	1,077	1,174	1,272	1,450
Interest on Government capital in enterprises .....	1,208	1,716	1,654	846	838	850	862
Interest received by retirement and health benefits funds .....	198	169	176	183	198	215	235
General fund payments to retirement and health benefits funds:							
Employees health benefits fund .....		5,400	5,400	5,400	5,500	5,500	5,600
DoD retiree health care fund .....	20,391	19,415	21,185	23,101	25,196	27,461	29,887
Miscellaneous Federal retirement funds .....	285	345	362	427	524	487	489
Other .....	1,998	5,723	4,291	4,741	4,726	5,175	5,694
Undistributed by agency:							
Employing agency contributions:							
DoD retiree health care fund .....	11,138	11,550	11,212	12,216	12,993	13,897	14,691
Total Federal intrafunds .....	35,609	45,083	45,303	47,991	51,149	54,857	58,908
Trust intrafund transactions:							
Distributed by agency:							
Payments to railroad retirement .....	4,793	5,211	5,298	5,392	5,710	6,163	5,959
Total trust intrafunds .....	4,793	5,211	5,298	5,392	5,710	6,163	5,959
Total intrafund transactions .....	40,402	50,294	50,601	53,383	56,859	61,020	64,867
Interfund transactions:							
Distributed by agency:							
Federal fund payments to trust funds:							
Contributions to insurance programs:							
Military retirement fund .....	23,180	26,048	27,025	28,039	29,090	30,181	31,313
Supplementary medical insurance .....	162,602	175,657	187,749	197,816	212,353	231,110	246,821
Proposed Legislation (non-PAYGO) .....			-1,649	-3,594	-5,409	-7,063	-8,916
Hospital insurance .....	10,973	11,572	13,248	14,410	16,037	17,775	19,699
Railroad social security equivalent fund .....	129	132	144	159	168	186	205
Rail industry pension fund .....	337	325	339	355	370	386	401
Civilian supplementary retirement contributions .....	28,430	32,388	33,831	35,470	37,199	38,969	41,180
Unemployment insurance .....	828	830	807	806	812	800	781
Other contributions .....	782	850	882	831	898	777	767
Subtotal .....	227,261	247,802	262,376	274,292	291,518	313,121	332,251
Miscellaneous payments .....	1,870	1,762	1,775	1,751	1,731	1,749	1,758
Proposed Legislation (non-PAYGO) .....			2,752				
Subtotal .....	229,131	249,564	266,903	276,043	293,249	314,870	334,009
Trust fund payments to Federal funds:							
Quinquennial adjustment for military service credits .....	350						
Other .....	1,757	24,804	1,840	1,894	1,946	2,000	2,201
Proposed Legislation (non-PAYGO) .....			2,315	-437	-432	-424	-424
Subtotal .....	2,107	24,804	4,155	1,457	1,514	1,576	1,777
Total interfunds distributed by agency .....	231,238	274,368	271,058	277,500	294,763	316,446	335,786
Undistributed by agency:							
Employer share, employee retirement (on-budget):							
Civil service retirement and disability insurance .....	13,819	14,072	15,714	16,623	18,141	19,723	21,342
Proposed Legislation (non-PAYGO) .....			2	8	15	23	31
CSRDI from Postal Service .....	4,429	3,382	3,596	3,817	4,063	4,327	4,609
Hospital insurance (contribution as employer) <sup>1</sup> .....	2,722	2,839	2,965	3,053	3,180	3,344	3,439
Postal employer contributions to FHI .....	682	694	720	752	788	827	868
Military retirement fund .....	16,240	16,115	17,249	18,356	19,046	19,806	20,430

Table 18-5. OFFSETTING RECEIPTS BY TYPE—Continued

(In millions of dollars)

Source	2006 Actual	Estimate					
		2007	2008	2009	2010	2011	2012
Other Federal employees retirement .....	201	193	195	198	200	202	204
Total employer share, employee retirement (on-budget) .....	38,093	37,295	40,441	42,807	45,433	48,252	50,923
Interest received by on-budget trust funds .....	71,574	75,067	77,710	80,363	83,658	86,270	87,640
Proposed Legislation (non-PAYGO) .....			117	369	779	1,339	2,085
Total interfund transactions undistributed by agency .....	109,667	112,362	118,268	123,539	129,870	135,861	140,648
Total interfund transactions .....	340,905	386,730	389,326	401,039	424,633	452,307	476,434
Total on-budget receipts .....	381,307	437,024	439,927	454,422	481,492	513,327	541,301
<b>Off-budget receipts:</b>							
Trust intrafund transactions:							
Distributed by agency:							
Interfund transactions:							
Distributed by agency:							
Federal fund payments to trust funds:							
Old-age, survivors, and disability insurance .....	22,056	19,358	19,962	22,034	24,227	27,110	30,069
Undistributed by agency:							
Employer share, employee retirement (off-budget) .....	11,625	12,289	13,108	13,848	14,739	15,788	16,560
Interest received by off-budget trust funds .....	97,722	106,249	114,618	124,802	136,492	149,278	162,901
Proposed Legislation (non-PAYGO) .....							-775
Total off-budget receipts: .....	131,403	137,896	147,688	160,684	175,458	192,176	208,755
<b>Total intragovernmental transactions .....</b>	<b>512,710</b>	<b>574,920</b>	<b>587,615</b>	<b>615,106</b>	<b>656,950</b>	<b>705,503</b>	<b>750,056</b>
<b>PROPRIETARY RECEIPTS FROM THE PUBLIC</b>							
<b>Distributed by agency:</b>							
Interest:							
Interest on foreign loans and deferred foreign collections .....	285	210	210	210	210	210	210
Interest on deposits in tax and loan accounts .....	924	1,022	871	834	797	769	767
Proposed Legislation (non-PAYGO) .....			10	10	10	10	10
Other interest (domestic—civil) <sup>2</sup> .....	11,264	12,494	13,632	14,681	16,041	17,554	19,047
Total interest .....	12,473	13,726	14,723	15,735	17,058	18,543	20,034
Dividends and other earnings .....	2,177	2,382	1,446	1,490	1,511	1,486	1,464
Royalties and rents .....	4,337	3,955	4,271	4,452	4,384	4,392	4,671
Proposed Legislation (PAYGO) .....			-44	192	177	58	216
Sale of products:							
Sale of timber and other natural land products .....	393	272	279	288	296	305	314
Proposed Legislation (PAYGO) .....			67	64	60	57	
Sale of minerals and mineral products .....	671	74	39	37	36	35	36
Sale of power and other utilities .....	725	705	674	644	660	628	630
Proposed Legislation (PAYGO) .....			17	17	17	17	17
Other .....	102	99	115	112	99	119	115
Proposed Legislation (PAYGO) .....			14	14	14	14	14
Total sale of products .....	1,891	1,150	1,205	1,176	1,182	1,175	1,126
Fees and other charges for services and special benefits:							
Medicare premiums and other charges (trust funds) .....	45,108	52,785	57,202	61,923	66,864	72,138	78,222
Proposed Legislation (PAYGO) .....			78	82	-43	-78	-95
Nuclear waste disposal revenues .....	752	760	770	771	773	774	775
Veterans life insurance (trust funds) .....	154	141	128	116	104	92	82
Other <sup>2</sup> .....	7,908	12,002	12,060	12,672	13,338	14,130	15,025
Proposed Legislation (non-PAYGO) .....			21	21	21	21	21
Proposed Legislation (PAYGO) .....			762	1,091	1,306	1,561	1,900
Total fees and other charges .....	53,922	65,688	71,021	76,676	82,363	88,638	95,930
Sale of Government property:							
Sale of land and other real property <sup>2</sup> .....	984	191	229	197	195	160	160
Proposed Legislation (PAYGO) .....			376	177	102	99	19
Military assistance program sales (trust funds) .....	14,233	15,053	13,054	11,446	11,651	11,861	12,074

Table 18-5. OFFSETTING RECEIPTS BY TYPE—Continued

(In millions of dollars)

Source	2006 Actual	Estimate					
		2007	2008	2009	2010	2011	2012
Other .....	214	147	164	130	106	99	47
Proposed Legislation (PAYGO) .....			69	145	198	145	25
<b>Total sale of Government property .....</b>	<b>15,431</b>	<b>15,391</b>	<b>13,892</b>	<b>12,095</b>	<b>12,252</b>	<b>12,364</b>	<b>12,325</b>
<b>Realization upon loans and investments:</b>							
Negative subsidies and downward reestimates .....	8,600	11,752	713	629	611	609	534
Proposed Legislation (non-PAYGO) .....			-21	-21	-21	-21	-21
Proposed Legislation (PAYGO) .....			2,859	46	46	46	46
Repayment of loans to foreign nations .....	328						
Other .....	475	70	67	80	80	80	80
<b>Total realization upon loans and investments .....</b>	<b>9,403</b>	<b>11,822</b>	<b>3,618</b>	<b>734</b>	<b>716</b>	<b>714</b>	<b>639</b>
<b>Recoveries and refunds<sup>2</sup> .....</b>	<b>8,169</b>	<b>8,782</b>	<b>8,562</b>	<b>8,935</b>	<b>9,385</b>	<b>9,131</b>	<b>9,276</b>
Proposed Legislation (non-PAYGO) .....				58	122	126	130
Proposed Legislation (PAYGO) .....			2	492	507	373	379
Miscellaneous receipt accounts <sup>2</sup> .....	2,980	2,008	1,949	1,961	1,972	1,983	1,994
Proposed Legislation (PAYGO) .....			14	14	14	14	14
<b>Total proprietary receipts from the public distributed by agency .....</b>	<b>110,783</b>	<b>124,904</b>	<b>120,659</b>	<b>124,010</b>	<b>131,643</b>	<b>138,997</b>	<b>148,198</b>
<b>Undistributed by agency:</b>							
Other interest: Interest received from Outer Continental Shelf escrow account .....	2						
Rents, bonuses, and royalties:							
Outer Continental Shelf rents and bonuses .....	967	662	2,404	1,169	875	532	474
Outer Continental Shelf royalties .....	6,316	6,148	6,740	8,759	8,087	9,035	8,860
Proposed Legislation (PAYGO) .....			50	50	50	50	50
Arctic National Wildlife Refuge:							
Proposed Legislation (PAYGO) .....				7,004	4	1,006	6
Sale of major assets .....				323			
Other undistributed offsetting receipts .....		6,850					
<b>Total proprietary receipts from the public undistributed by agency .....</b>	<b>7,285</b>	<b>13,660</b>	<b>9,194</b>	<b>17,305</b>	<b>9,016</b>	<b>10,623</b>	<b>9,390</b>
<b>Total proprietary receipts from the public .....</b>	<b>118,068</b>	<b>138,564</b>	<b>129,853</b>	<b>141,315</b>	<b>140,659</b>	<b>149,620</b>	<b>157,588</b>
<b>OFFSETTING GOVERNMENTAL RECEIPTS</b>							
<b>Distributed by agency:</b>							
Regulatory fees .....	5,759	6,108	7,032	7,235	7,527	7,866	8,158
Proposed Legislation (non-PAYGO) .....			-63	-62	-62	-63	-64
Proposed Legislation (PAYGO) .....			65	65	65	65	65
Other .....	159	143	144	144	145	124	125
Proposed Legislation (PAYGO) .....			27	28	28	29	30
<b>Undistributed by agency:</b>							
Spectrum auction proceeds .....	111	6,900	11,850	2,158	100	100	
Proposed Legislation (PAYGO) .....		130	452	405	550	550	825
<b>Total offsetting governmental receipts .....</b>	<b>6,029</b>	<b>13,281</b>	<b>19,507</b>	<b>9,973</b>	<b>8,353</b>	<b>8,671</b>	<b>9,139</b>
<b>Total offsetting receipts .....</b>	<b>636,807</b>	<b>726,765</b>	<b>736,975</b>	<b>766,394</b>	<b>805,962</b>	<b>863,794</b>	<b>916,783</b>

<sup>1</sup> Includes provision for covered Federal civilian employees and military personnel.<sup>2</sup> Includes both Federal funds and trust funds.